

CIRCULAR DATED 12 MARCH 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Ezion Holdings Limited (the “**Company**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Circular.

An application has been made to the SGX-ST for the dealing in, listing and quotation for the Series B Convertible Bonds (as defined herein), the Series B Conversion Shares (as defined herein), the Series 008 Securities Conversion Shares (as defined herein), the Warrant (2018-Shareholders) Shares (as defined herein), the Warrants (2018-Securityholders) (as defined herein), the Warrant (2018-Securityholders) Shares (as defined herein), the Securityholders Consent Shares (as defined herein), the Warrant (2018-Secured Lenders) Shares (as defined herein), the TLF Consent Shares (as defined herein), the Warrant (2018-Unsecured Lenders) Shares (as defined herein), the Interest Shares (as defined herein), the Private Subscriber Option Shares (as defined herein) and the Professional Fees Shares (as defined herein) on the Main Board of the SGX-ST, subject to certain conditions. The approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Bonds Issue (as defined herein), the Series B Convertible Bonds (as defined herein), the Series B Conversion Shares (as defined herein), the Proposed Warrants (2018-Shareholders) Issue (as defined herein), the Warrants (2018-Shareholders) (as defined herein), the Warrant (2018-Shareholders) Shares, the Proposed Warrants (2018-Securityholders) Issue (as defined herein), the Warrants (2018-Securityholders) (as defined herein), the Warrant (2018-Securityholders) Shares (as defined herein), the Proposed Series 008 Securities Conversion Shares Issue (as defined herein), the Series 008 Securities Conversion Shares (as defined herein), the Proposed Interest Shares Issue (as defined herein), the Interest Shares (as defined herein), the Proposed Securityholders Consent Shares Issue (as defined herein), the Securityholders Consent Shares (as defined herein), the Proposed Warrants (2018-Secured Lenders) Issue (as defined herein), the Warrants (2018-Secured Lenders) (as defined herein), the Warrant (2018-Secured Lenders) Shares (as defined herein), the Proposed TLF Consent Shares Issue (as defined herein), the TLF Consent Shares (as defined herein), the Proposed Warrants (2018-Unsecured Lenders) Issue (as defined herein), the Warrants (2018-Unsecured Lenders) (as defined herein), the Warrant (2018-Unsecured Lenders) Shares (as defined herein), the Proposed Professional Fees Shares Issue (as defined herein), the Professional Fees Shares (as defined herein), the Proposed Private Subscriber Option Shares Issue (as defined herein), the Private Subscriber Option Shares (as defined herein), the Company and/or its subsidiaries.



EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 28 July 1999)
(Company Registration Number: 199904364E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (A) **THE PROPOSED ISSUE OF S\$333,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF 0.25% CONVERTIBLE BONDS DUE 2023 (THE “SERIES B CONVERTIBLE BONDS”) CONVERTIBLE INTO UP TO 1,338,962,605 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “SERIES B CONVERSION SHARES”) (THE “PROPOSED BONDS ISSUE”);**
- (B) **THE PROPOSED ISSUE OF 1,244,306,043 WARRANTS (THE “WARRANTS (2018-SHAREHOLDERS)”), WITH EACH WARRANT (2018-SHAREHOLDERS) CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (THE “WARRANT (2018-SHAREHOLDERS) SHARE”) AT THE WARRANTS (2018-SHAREHOLDERS) EXERCISE PRICE (AS DEFINED HEREIN) PER WARRANT (2018-SHAREHOLDERS) SHARE, ON THE BASIS OF THREE (3) WARRANTS (2018-SHAREHOLDERS) FOR EVERY FIVE (5) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“SHARES”) HELD BY SHAREHOLDERS OF THE COMPANY (THE “PROPOSED WARRANTS (2018-SHAREHOLDERS) ISSUE”);**
- (C) **THE PROPOSED ISSUE OF UP TO 452,500,000 WARRANTS (THE “WARRANTS (2018-SECURITYHOLDERS)”) TO SERIES B BONDHOLDERS (AS DEFINED HEREIN) OR AMENDED SERIES 008 SECURITYHOLDERS (AS DEFINED HEREIN) WHO EXERCISE THEIR CONVERSION RIGHTS DURING THE EARLY CONVERSION PERIOD (AS DEFINED HEREIN), WITH EACH WARRANT (2018-SECURITYHOLDERS) CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW SHARE (THE “WARRANT (2018-SECURITYHOLDERS) SHARE”) AT THE EXERCISE PRICE OF S\$0.2763 PER WARRANT (2018-SECURITYHOLDERS) SHARE (THE “PROPOSED WARRANTS (2018-SECURITYHOLDERS) ISSUE”);**
- (D) **THE PROPOSED ISSUE OF UP TO 480,498,592 NEW SHARES (THE “SERIES 008 SECURITIES CONVERSION SHARES”) TO AMENDED SERIES 008 SECURITYHOLDERS UPON THE CONVERSION OF S\$119,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE AMENDED SERIES 008 SECURITIES (AS DEFINED HEREIN) (THE “PROPOSED SERIES 008 SECURITIES CONVERSION SHARES ISSUE”);**
- (E) **THE PROPOSED ISSUE OF UP TO 38,113,207 NEW SHARES (THE “INTEREST SHARES”) TO (I) SECURITYHOLDERS (OTHER THAN HOLDERS OF THE SERIES 008 SECURITIES (AS DEFINED HEREIN)) WHO HAVE ELECTED TO RECEIVE SERIES B CONVERTIBLE BONDS; AND (II) HOLDERS OF THE SERIES 008 SECURITIES WHO HAVE ELECTED TO CONTINUE TO HOLD THE AMENDED SERIES 008 SECURITIES, IN LIEU OF THE ACCRUED INTEREST (AS DEFINED HEREIN) AT THE ISSUE PRICE OF S\$0.2763 PER INTEREST SHARE (THE “PROPOSED INTEREST SHARES ISSUE”);**

- (F) THE PROPOSED ISSUE OF 11,442,000 NEW SHARES (THE “SECURITYHOLDERS CONSENT SHARES”) TO THE SECURITYHOLDERS AT THE ISSUE PRICE OF S\$0.2763 PER SECURITYHOLDER CONSENT SHARE (THE “PROPOSED SECURITYHOLDERS CONSENT SHARES ISSUE”);
- (G) THE PROPOSED ISSUE OF UP TO 171,000,000 WARRANTS (THE “WARRANTS (2018-SECURED LENDERS)”) TO THE SECURED LENDERS (AS DEFINED HEREIN), WITH EACH WARRANT (2018-SECURED LENDERS) CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW SHARE (THE “WARRANT (2018-SECURED LENDERS) SHARE”) AT THE WARRANTS (2018-SECURED LENDERS) EXERCISE PRICE (AS DEFINED HEREIN) PER WARRANT (2018-SECURED LENDERS) SHARE (THE “PROPOSED WARRANTS (2018-SECURED LENDERS) ISSUE”);
- (H) THE PROPOSED ISSUE OF UP TO 65,083,500 NEW SHARES (THE “TLF CONSENT SHARES”) TO THE SECURED LENDERS AT THE ISSUE PRICE OF S\$0.2763 PER TLF CONSENT SHARE (THE “PROPOSED TLF CONSENT SHARES ISSUE”);
- (I) THE PROPOSED ISSUE OF UP TO 94,221,498 WARRANTS (THE “WARRANTS (2018-UNSECURED LENDERS)”) TO THE UNSECURED LENDERS (AS DEFINED HEREIN), WITH EACH WARRANT (2018-UNSECURED LENDERS) CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW SHARE (THE “WARRANT (2018-UNSECURED LENDERS) SHARE”) AT THE WARRANTS (2018-UNSECURED LENDERS) EXERCISE PRICE (AS DEFINED HEREIN) PER WARRANT (2018-UNSECURED LENDERS) SHARE (THE “PROPOSED WARRANTS (2018-UNSECURED LENDERS) ISSUE”);
- (J) THE PROPOSED ISSUE OF UP TO 157,000,000 SHARES (THE “PROFESSIONAL FEES SHARES”) TO THE PROFESSIONAL ADVISOR (AS DEFINED HEREIN) FOR PAYMENT OF THE PROFESSIONAL FEES, INCLUDING RELEVANT DISBURSEMENTS, INCIDENTAL COSTS AND APPLICABLE TAXES, IN CONNECTION WITH THE REFINANCING EXERCISE AT THE ISSUE PRICE OF S\$0.2763 PER PROFESSIONAL FEES SHARE (THE “PROPOSED PROFESSIONAL FEES SHARES ISSUE”); AND
- (K) THE PROPOSED ISSUE OF UP TO 100,437,500 NEW SHARES (THE “PRIVATE SUBSCRIBER OPTION SHARES”) TO ASDEW ACQUISITIONS PTE LTD AT EITHER THE PUT OPTION ISSUE PRICE OR THE CALL OPTION ISSUE PRICE (EACH AS DEFINED HEREIN) (THE “PROPOSED PRIVATE SUBSCRIBER OPTION SHARES ISSUE”).

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 26 March 2018 at 10.00 a.m.

Date and time of Extraordinary General Meeting : 28 March 2018 at 10.00 a.m.

Place of Extraordinary General Meeting : Tee Garden, Warren Golf & Country Club,
81 Choa Chu Kang Way, Singapore 688263

CONTENTS

	PAGE
DEFINITIONS	3
LETTER TO SHAREHOLDERS.....	20
1. INTRODUCTION	20
2. APPROVAL IN-PRINCIPLE FROM THE SGX-ST	22
3. THE REFINANCING EXERCISE	22
4. THE PROPOSED BONDS ISSUE	23
5. THE PROPOSED WARRANTS (2018-SHAREHOLDERS) ISSUE.....	31
6. THE PROPOSED WARRANTS (2018-SECURITYHOLDERS) ISSUE	38
7. THE PROPOSED SERIES 008 SECURITIES CONVERSION SHARES ISSUE	48
8. THE PROPOSED INTEREST SHARES ISSUE	59
9. THE PROPOSED SECURITYHOLDERS CONSENT SHARES ISSUE.....	62
10. THE PROPOSED WARRANTS (2018-SECURED LENDERS) ISSUE	63
11. THE PROPOSED TLF CONSENT SHARES ISSUE	71
12. THE PROPOSED WARRANTS (2018-UNSECURED LENDERS) ISSUE.....	73
13. THE PROPOSED PROFESSIONAL FEES SHARES ISSUE.....	80
14. THE PROPOSED PRIVATE SUBSCRIBER OPTION SHARES ISSUE	82
15. BACKGROUND TO AND RATIONALE OF THE PROPOSED TRANSACTIONS	86
16. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS	87
17. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	91
18. DIRECTORS' RECOMMENDATIONS	93
19. EXTRAORDINARY GENERAL MEETING.....	93
20. ACTION TO BE TAKEN BY SHAREHOLDERS	94
21. DIRECTORS' RESPONSIBILITY STATEMENT	94
APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES B CONVERTIBLE BONDS.....	95
APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-SHAREHOLDERS).....	102
APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-SECURITYHOLDERS).....	111
APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE AMENDED SERIES 008 SECURITIES.....	120

APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-Secured Lenders)	129
APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-UNSECURED LENDERS)	138
NOTICE OF EXTRAORDINARY GENERAL MEETING.....	N-1
PROXY FORM	N-9

DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “2016 Warrants”** : The 355,099,387 free warrants in registered form allotted and issued by the Company pursuant to the terms and conditions set out in the deed poll dated 13 April 2016 entered into by the Company
- “Accrued Interest”** : The accrued interest payable on Series 003 Securities, Series 004 Securities, Series 005 Securities, Series 006 Securities and Series 007 Securities accrued from and including the interest payment date of such relevant Series of Securities immediately preceding the date Extraordinary Resolution No. 1 of such relevant Series of Securities is passed up to but excluding such date, or the accrued distribution payable on Series 008 Securities accrued from and including the distribution payment date immediately preceding the date Extraordinary Resolution No. 1 of Series 008 Securities is passed, up to but excluding such date (as the case may be)
- “Amended Series 008 Securities”** : S\$119,500,000 in principal amount of Series 008 Securities, the terms and conditions of which are amended by the Supplemental Trust Deeds, with the summary of such amended terms set out in Section 7.2 of this Circular
- “Amended Series 008 Securityholder”** : A person in whose name the Amended Series 008 Securities are registered
- “Asdew”** : Asdew Acquisitions Pte Ltd
- “Associates”** : (a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more

DEFINITIONS

“Beneficial Owner”	: A beneficial owner of the Securities holding such Securities, directly or indirectly, in accounts in the name of a Direct Participant acting on the beneficial owner’s behalf
“Board”	: The board of Directors of the Company as at the Latest Practicable Date
“Business Days”	: A day (other than a Saturday, a Sunday or a gazetted public holiday in Singapore) on which commercial banks are open for business in Singapore
“Call Option”	: The right granted by the Company to Asdew to require the Company to issue to Asdew the Private Subscriber Option Shares at any time during the 60 months after the Trading Resumption
“Call Option Issue Price”	: An initial issue price of S\$0.2763, which shall be reset every six (6) months (“ Issue Price Reset Date ”) by the Company beginning on the date that is six (6) months after the Trading Resumption to a price that represents the six-month VWAP of the Shares prior to each Issue Price Reset Date, rounded down to the nearest S\$0.0001, provided that if such a price is lower than S\$0.2763, the issue price shall be S\$0.2763
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to Shareholders dated 12 March 2018
“Companies Act”	: The Companies Act (Chapter 50) of Singapore, as amended, supplemented or modified from time to time
“Company”	: Ezion Holdings Limited
“Consent Solicitation Statement”	The consent solicitation statement dated 23 October 2017 issued by the Company to the Securityholders, as amended and supplemented by the Supplemental Consent Solicitation Statement
“Controlling Shareholder”	: A person who (a) holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company (unless the SGX-ST determines that such a person is not a controlling shareholder of the company); or (b) in fact exercises control over a company
“Day Count Fraction”	: A fraction for determining the actual number of days elapsed in a 365-day year, for the purpose of calculating interest in respect of a period of less than one (1) year
“DBS Trustee”	: DBS Trustee Limited

DEFINITIONS

- “Direct Participant”** : Each person who is shown in the records of the CDP as a holder of the Securities
- “Director”** : A director of the Company as at the Latest Practicable Date
- “Distribution Notes”** : The zero coupon notes due 2027 to be issued by the Company to Securityholders who elect to receive Series C Non-Convertible Bonds in payment for the distribution payable with respect to the distribution on the Series 008 Securities from and including the distribution payment date of the Series 008 Securities immediately preceding the date Extraordinary Resolution No. 1 of the Series 008 Securities is passed to but excluding such date
- “Early Conversion Period”** : The period that is (i) on or prior to the date that is 60 days after the issue date of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be; or (ii) after 60 days but on or prior to six (6) months after such issue date or effective date, as the case may be. If the conversion right is exercised by the Series B Bondholders or the Amended Series 008 Securityholders on or prior to the date that is 60 days after the issue date of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be, 50,000 Warrants (2018-Securityholders) will be issued for every S\$50,000 in principal amount of such securities converted. If the conversion right is exercised by the Series B Bondholders or the Amended Series 008 Securityholders after 60 days but on or prior to six (6) months after such issue date or effective date, as the case may be, 25,000 Warrants (2018-Securityholders) will be issued for every S\$50,000 in principal amount of such securities converted
- “EGM”** : The extraordinary general meeting of the Company to be held on 28 March 2018 at 10.00 a.m. at Tee Garden, Warren Golf & Country Club, 81 Choa Chu Kang Way, Singapore 688263, notice of which is set out on pages N-1 to N-8 of this Circular
- “Enlarged Issued Share Capital”** : The enlarged issued share capital of the Company (excluding treasury shares) on a diluted basis assuming the completion of all the Proposed Transactions on a maximum basis in each of the Proposed Transactions, being 6,227,408,350 Shares
- “EPS”** : Earnings per Share
- “Existing Share Capital”** : The issued share capital of the Company (excluding treasury shares) of 2,073,843,405 Shares as at the Latest Practicable Date
- “Extraordinary Resolutions”** : The Extraordinary Resolution No. 1 and, if applicable for the relevant Series of Securities, the Extraordinary Resolution No. 2

DEFINITIONS

- “Extraordinary Resolution No. 1”** : In respect of each Series of Securities, the extraordinary resolution no. 1 to approve that part of the proposal contained in the Consent Solicitation Statement to be proposed and considered at the Securityholders’ Meeting, as set out in “Forms of Notice of Meeting – Extraordinary Resolutions – Extraordinary Resolution No. 1” as contained in Appendix A to the Consent Solicitation Statement
- “Extraordinary Resolution No. 2”** : In respect of each Series of Securities (other than the Series 008 Securities), the extraordinary resolution no. 2 to approve that part of the proposal contained in the Consent Solicitation Statement to be proposed and considered at the Securityholders’ Meeting of such Series of Securities (other than the Series 008 Securities), as set out in “Forms of Notice of Meeting – Extraordinary Resolutions – Extraordinary Resolution No. 2” as contained in Appendix A to the Consent Solicitation Statement
- “Ezion Employee Share Option Scheme”** : The Company’s employee share option scheme which was approved by Shareholders on 23 November 2009
- “FY”** : Financial year ended or ending on 31 December, as the case may be
- “Group”** : The Company and its subsidiaries, collectively
- “Interest Notes”** : The zero coupon notes due 2024 to be issued by the Company to Securityholders who elect to receive Series A Non-Convertible Bonds in payment for the interest payable with respect to the interest on the relevant Series of Securities (other than the Series 008 Securities) from and including the interest payment date of such relevant Series of Securities (other than the Series 008 Securities) immediately preceding the date Extraordinary Resolution No. 1 of such relevant Series of Securities (other than the Series 008 Securities) was passed to but excluding such date
- “Interest Shares”** : Up to 38,113,207 new Shares to be issued and allotted by the Company in lieu of the Accrued Interest for Securityholders (other than holders of the Series 008 Securities) who have elected to receive Series B Convertible Bonds; and (ii) holders of the Series 008 Securities who have elected to continue to hold the Amended Series 008 Securities pursuant to the Proposed Interest Shares Issue
- “Latest Practicable Date”** : 6 March 2018, being the latest practicable date prior to the printing of this Circular
- “Listing Manual”** : The listing manual of the SGX-ST, as amended from time to time
- “Market Day”** : A day on which the SGX-ST is open for trading in securities

DEFINITIONS

“Meeting Agent”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) as delegate of DBS Bank Ltd. in respect of the consent solicitation and the Securityholders’ Meeting
“MTN Trust Deed”	:	The trust deed dated 9 May 2012 between the Company and DBS Trustee, as amended by a supplemental trust deed dated 12 June 2014 relating to the Multicurrency Debt Issuance Programme and constituting the Securities
“Multicurrency Debt Issuance Programme”	:	The S\$1,500,000,000 multicurrency debt issuance programme of the Company
“Notice of EGM”	:	The notice of EGM which is on pages N-1 to N-8 of this Circular
“Ordinary Resolution 1”	:	The ordinary resolution to approve the Proposed Transactions
“Private Subscriber Option Shares”	:	Up to 100,437,500 new Shares to be issued to Asdew at either the Put Option Issue Price or the Call Option Issue Price (as the case may be), subject to adjustments as described in Section 14 of this Circular
“Professional Advisor”	:	RSM Corporate Advisory Pte Ltd, being one of the professional advisors to the Company in connection with the Refinancing Exercise
“Professional Fees”	:	The professional fees, including relevant disbursements, incidental costs and applicable taxes, incurred by the Company in connection with the Refinancing Exercise
“Professional Fees Shares”	:	Up to 157,000,000 new Shares to be issued and allotted by the Company for payment of the Professional Fees pursuant to the Proposed Professional Fees Shares Issue
“Proposed Private Subscriber Option Shares Issue”	:	The proposed issue to Asdew of up to 100,437,500 new Shares at either the Put Option Issue Price or the Call Option Issue Price (as the case may be), as further described in Section 14 of this Circular
“Proposed Bonds Issue”	:	The proposed issue of S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds by the Company to the Securityholders (other than the Securityholders of the Series 008 Securities), as further described in Section 4 of this Circular
“Proposed Interest Shares Issue”	:	The proposed issue of up to 38,113,207 Interest Shares to (i) Securityholders (other than holders of the Series 008 Securities) who have elected to receive S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds; and (ii) holders of the Series 008 Securities who have elected to continue to hold S\$119,500,000 in aggregate principal amount of Amended Series 008 Securities in lieu of the Accrued Interest, at the issue price of

DEFINITIONS

- S\$0.2763 per Interest Share, as further described in Section 8 of this Circular
- “Proposed Professional Fees Shares Issue”** : The proposed issue of up to 157,000,000 Professional Fees Shares to the Professional Advisor for payment of the Professional Fees, at the issue price of S\$0.2763 per Professional Fees Share, as further described in Section 13 of this Circular
- “Proposed Securityholders Consent Shares Issue”** : The proposed issue of 11,442,000 Securityholders Consent Shares to the Securityholders who submitted or delivered voting instructions voting in favour of the Extraordinary Resolutions in relation to such Series of Securities on or prior to 15 November 2017 to the Meeting Agent, and do not subsequently revoke or amend such instructions, at the issue price of S\$0.2763 per Securityholders Consent Share, as further described in Section 9 of this Circular
- “Proposed Series 008 Securities Conversion Shares Issue”** : The proposed issue of up to 480,498,592 Series 008 Securities Conversion Shares to Amended Series 008 Securityholders upon the conversion of the Amended Series 008 Securities, as further described in Section 7 of this Circular
- “Proposed TLF Consent Shares Issue”** : The proposed issue of up to 65,083,500 TLF Consent Shares to the Secured Lenders, at the issue price of S\$0.2763 per TLF Consent Share, as further described in Section 11 of this Circular
- “Proposed Transactions”** : Collectively, the Proposed Bonds Issue, the Proposed Warrants (2018-Shareholders) Issue, the Proposed Warrants (2018-Securityholders) Issue, the Proposed Series 008 Securities Conversion Shares Issue, the Proposed Interest Shares Issue, the Proposed Securityholders Consent Shares Issue, the Proposed Warrants (2018-Secured Lenders) Issue, the Proposed TLF Consent Shares Issue, the Proposed Warrants (2018-Unsecured Lenders) Issue, the Proposed Private Subscriber Option Shares Issue and the Professional Fees Shares Issue
- “Proposed Warrants (2018-Secured Lenders) Issue”** : The proposed issue of up to 171,000,000 Warrants (2018-Secured Lenders) to the Secured Lenders, with each Warrant (2018-Secured Lenders) carrying the right to subscribe for one (1) Warrant (2018-Secured Lenders) Share at the Warrants (2018-Secured Lenders) Exercise Price per Warrant (2018-Secured Lenders) Share
- “Proposed Warrants (2018-Securityholders) Issue”** : The proposed issue of up to 452,500,000 Warrants (2018-Securityholders) to Series B Bondholders or Amended Series 008 Securityholders who exercise their conversion rights during the Early Conversion Period, with each Warrant (2018-Securityholders) carrying the right to subscribe for one (1) Warrant (2018-Securityholders) Share at the Warrants (2018-

DEFINITIONS

- Securityholders) Exercise Price of S\$0.2763 per Warrant (2018-Securityholders) Share, as further described in Section 6 of this Circular
- “Proposed Warrants (2018-Shareholders) Issue”** : The proposed issue of 1,244,306,043 Warrants (2018-Shareholders) to Shareholders, with each Warrant (2018-Shareholders) carrying the right to subscribe for one (1) Warrant (2018-Shareholders) Share at the Warrants (2018-Shareholders) Exercise Price per Warrant (2018-Shareholders) Share, on the basis of three (3) Warrants (2018-Shareholders) for every five (5) Shares held by Shareholders, as further described in Section 5 of this Circular
- “Proposed Warrants (2018-Unsecured Lenders) Issue”** : The proposed issue of up to 94,221,498 Warrants (2018-Unsecured Lenders) to the Unsecured Lenders, with each Warrant (2018-Unsecured Lenders) carrying the right to subscribe for one (1) Warrant (2018-Unsecured Lenders) Share at the Warrants (2018-Unsecured Lenders) Exercise Price per Warrant (2018-Unsecured Lenders) Share, as further described in Section 12 of this Circular
- “Put Option”** : The right granted by Asdew to the Company to require Asdew to subscribe for the Private Subscriber Option Shares, such right to be exercised at any time after one (1) month and before the end of 60 months after the Trading Resumption
- “Put Option Issue Price”** : The lower of S\$0.2487 or a price at a 20.0% discount to the last full day VWAP of a Share on the date of the notice given by the Company to Asdew to exercise the Put Option, subject always to a minimum issue price of S\$0.144
- “RCF”** : Revolving credit facilities for the purpose of financing working capital
- “Record Date”** : In relation to any dividends, rights, allotments or other distributions, the date on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions
- “Refinancing Bonds”** : The Series A Non-Convertible Bonds, Series B Convertible Bonds and Series C Non-Convertible Bonds
- “Refinancing Bonds Trust Deed”** : The trust deed to be entered into between the Company and DBS Trustee, pursuant to which the Series A Non-Convertible Bonds, Series B Convertible Bonds and Series C Non-Convertible Bonds are constituted
- “Refinancing Exercise”** : The refinancing exercise of the Company and its subsidiaries of all of their current secured and unsecured debts (excluding, if deemed

DEFINITIONS

- necessary by the Company, trade debts incurred or to be incurred in the ordinary course of business) to strengthen its cash flow and working capital position, as further described in Section 3 of this Circular
- “Refinancing Redemption Amount”** : S\$250,000 for each S\$250,000 in specified denomination of Securities redeemed, payable wholly in the form of S\$250,000 in principal amount of Series A Non-Convertible Bonds or Series B Convertible Bonds (in the case of a Series of Securities other than the Series 008 Securities) or Series C Non-Convertible Bonds (in the case of the Series 008 Securities), in each case that have an issue price of 100% of its principal amount
- “Register of Members”** : Register of members of the Company
- “Registration Date”** : The date on which Shareholders are registered in the Register of Members (if the Shares are quoted on the SGX-ST) or in the Depository Register, as the case may be
- “REPS”** : The redeemable exchangeable preference shares issued by Teras Investments at an issue price of S\$100,000 per share pursuant to the REPS Subscription Agreement which are exchangeable into Shares
- “REPS Investors”** : Collectively, Evia Growth Opportunities II Ltd, Evia Growth Opportunities III Ltd, Venstar Investments II Ltd and Venstar Investments III Ltd
- “REPS Subscription Agreement”** : The subscription agreement dated 16 August 2013 as amended, modified and/or supplemented by the supplemental agreement dated 7 October 2016 entered into between the Company, Teras Investments and the REPS Investors
- “Secured Lenders”** : The secured lenders of the Company, which are all financial institutions regulated by the Monetary Authority of Singapore with a full banking licence in Singapore except for a lender which is an engine equipment manufacturer which the Company purchases engine equipment from, and/or their nominees, and each a **“Secured Lender”**
- “Securities”** : The Series 003 Securities, Series 004 Securities, Series 005 Securities, Series 006 Securities, Series 007 Securities and Series 008 Securities issued under the Company’s Multicurrency Debt Issuance Programme, and each a **“Series of Securities”**
- “Securities Accounts”** : Securities accounts held through the CDP
- “Securityholders”** : The holders of the Securities and includes (i) Direct Participants and (ii) Beneficial Owners, in each case who are permitted under

DEFINITIONS

- the laws of their jurisdiction of residence and domicile to participate in the consent solicitation as detailed in the Consent Solicitation Statement
- “Securityholders Consent Shares”** : 11,442,000 new Shares to be issued and allotted by the Company to the Securityholders who submitted or delivered voting instructions voting in favour of the Extraordinary Resolutions in relation to such Series of Securities on or prior to the consent deadline to the Meeting Agent, and do not subsequently revoke or amend such instructions, pursuant to the Proposed Securityholders Consent Shares Issue
- “Securityholders’ Meeting”** : In respect of each Series of Securities, the meeting of Securityholders of such Series of Securities held at 8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095 on 20 November 2017 at such time(s) as specified in the notice of meetings dated 23 October 2017, as amended and supplemented by the amendment to notice of meetings dated 28 October 2017 to consider and vote on the Extraordinary Resolution(s) applicable to such Series of Securities
- “Series 003 Securities”** : The Series 003 S\$110,000,000 4.70% notes due 2019 (ISIN: SG56F6993056) issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 004 Securities”** : The Series 004 S\$60,000,000 4.60% notes due 2018 (ISIN: SG57D3995685) issued under the Company’s Multicurrency Debt Issuance Programme issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 005 Securities”** : The Series 005 S\$50,000,000 4.85% notes due 2019 (ISIN: SG6OF1000004) issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 006 Securities”** : The Series 006 S\$55,000,000 5.10% notes due 2020 (ISIN: SG6PB3000008) issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 007 Securities”** : The Series 007 S\$150,000,000 4.875% notes due 2021 (ISIN: SG6RD2000001) issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 008 Securities”** : The Series 008 S\$150,000,000 7.00% subordinated perpetual securities (ISIN: SG6UH9000009) issued under the Company’s Multicurrency Debt Issuance Programme
- “Series 008 Securities Conversion Price”** : The price at which the Series 008 Securities Conversion Shares will be issued upon conversion of the Amended Series 008 Securities, being either the Series 008 Securities Discounted

DEFINITIONS

- Conversion Price or the Series 008 Securities Minimum Conversion Price, subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Amended Series 008 Securities as set out in the Supplemental Trust Deeds
- “Series 008 Securities Conversion Shares”** : Up to 480,498,592 new Shares to be issued and allotted by the Company to Amended Series 008 Securityholders upon the conversion of the Amended Series 008 Securities pursuant to the Proposed Series 008 Securities Conversion Shares Issue
- “Series 008 Securities Discounted Conversion Price”** : S\$0.2487 per Series 008 Securities Conversion Share, solely where the conversion right in respect of the Amended Series 008 Securities is exercised on or prior to 60 days after the effective date of the amendments to the Series 008 Securities
- “Series 008 Securities Expiration Date”** : The close of business on the date that is four (4) years from the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed, being 19 November 2021
- “Series 008 Securities Minimum Conversion Price”** : S\$0.2763 per Series 008 Securities Conversion Share
- “Series A Non-Convertible Bonds”** : S\$92,000,000 in principal amount of the Series A 0.25% non-convertible bonds due 2024 to be issued by the Company
- “Series B Bondholder”** : A person in whose name the Series B Convertible Bonds are registered
- “Series B Conversion Price”** : The price at which the Series B Conversion Shares will be issued upon conversion of the Series B Convertible Bonds, being either the Series B Discounted Conversion Price or the Series B Minimum Conversion Price, subject to a reset every six (6) months by the Company beginning on the date that is six (6) months after the issue date of the Series B Convertible Bonds to a price that represents the six-month VWAP of the Shares prior to each reset date, rounded down to the nearest S\$0.0001 (provided that if such a price is lower than the Series B Minimum Conversion Price, the Series B Conversion Price shall be the Series B Minimum Conversion Price), as well as certain anti-dilution adjustments in accordance with the terms and conditions of the Series B Convertible Bonds as set out in the Refinancing Bonds Trust Deed
- “Series B Conversion Shares”** : Up to 1,338,962,605 new Shares to be issued and allotted by the Company to Series B Bondholders upon the conversion of the Series B Convertible Bonds pursuant to the Proposed Bonds Issue
- “Series B Convertible Bonds”** : S\$333,000,000 in principal amount of the Series B 0.25% convertible bonds due 2023 to be issued by the Company

DEFINITIONS

“Series B Discounted Conversion Price”	:	S\$0.2487 per Series B Conversion Share, solely where the conversion right in respect of the Series B Convertible Bonds is exercised on or prior to 60 days after the issue date of the Series B Convertible Bonds
“Series B Expiration Date”	:	The close of business on the date that is five (5) years from the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed, being 19 November 2022
“Series B Minimum Conversion Price”	:	S\$0.2763 per Series B Conversion Share
“Series C Non-Convertible Bonds”	:	S\$30,500,000 in principal amount of the Series C 0.25% non-convertible bonds due 2027 to be issued by the Company
“SFA”	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, supplemented or modified from time to time
“SGXNET”	:	A broadcast network utilised by companies listed on the SGX-ST for the purposes of sending information (including announcements) to the SGX-ST (or any other broadcast or system networks prescribed by the SGX-ST)
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of Shares of the Company, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Share Options”	:	The share options issued pursuant to the Ezion Employee Share Option Scheme, which was approved by the Shareholders on 23 November 2009
“Subscription Agreement”	:	The subscription agreement dated 9 March 2018 entered into between the Company and Asdew for the issuance of the Private Subscriber Option Shares to Asdew
“Substantial Shareholder”	:	A person who has an interest or interests in voting Shares in the Company representing not less than 5.0% of all the voting Shares of the Company, as defined under Section 81 of the Companies Act
“Supplemental Consent Solicitation Statement”	:	The supplemental consent solicitation statement dated 28 October 2017 issued by the Company to the Securityholders

DEFINITIONS

“Supplemental Trust Deeds”	:	The supplemental trust deeds to be entered into between the Company and DBS Trustee to amend the provisions of the MTN Trust Deed
“Teras Investments”	:	Teras Investments Pte. Ltd., a wholly-owned subsidiary of the Company
“TLF”	:	Term loan facilities for the purpose of refinancing the relevant existing facilities of the Group to the relevant Secured Lender
“TLF Consent Shares”	:	Up to 65,083,500 new Shares to be issued and allotted by the Company to the Secured Lenders pursuant to the Proposed TLF Consent Shares Issue
“Trading Resumption”	:	The lifting of the suspension of trading of the Shares on the SGX-ST
“Unsecured Lenders”	:	Three of the unsecured lenders of the Company, which are all financial institutions regulated by the Monetary Authority of Singapore with a full banking licence in Singapore, and each an “Unsecured Lender”
“Unsecured Lenders Expiration Date”	:	The date falling 60 months from the date of issuance of the Warrants (2018-Unsecured Lenders), provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “Unsecured Lenders Expiration Date”
“VWAP”	:	Volume weighted average price
“Warrant Agent”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd)
“Warrants (2018-Secured Lenders)”	:	The non-listed and transferable warrants to be issued by the Company, each carrying the right to subscribe for one (1) Warrant (2018-Secured Lenders) Share pursuant to the Proposed Warrants (2018-Secured Lenders) Issue
“Warrants (2018-Secured Lenders) Deed Poll”	:	The deed poll to be executed by the Company, constituting the Warrants (2018-Secured Lenders) (as the same may be amended or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrants (2018-Secured Lenders) Holders
“Warrants (2018-Secured Lenders) Discounted Exercise Price”	:	S\$0.2487 per Warrant (2018-Secured Lenders) Share, solely where the exercise right in respect of the Warrants (2018-Secured Lenders) is exercised on or prior to 60 days after the issue date of the Warrants (2018-Secured Lenders)

DEFINITIONS

- “Warrants (2018-Secured Lenders) Exercise Period”** : The period commencing on and including the date of issuance of the Warrants (2018-Secured Lenders) and expiring at 5:00 p.m. (Singapore time) 60 months from the date of issuance of the Warrants (2018-Secured Lenders)
- “Warrants (2018-Secured Lenders) Exercise Price”** : The sum payable in respect of each Warrant (2018-Secured Lenders) Share to which a Warrants (2018-Secured Lenders) Holder will be entitled to subscribe upon the exercise of a Warrant (2018-Secured Lenders), being either the Warrants (2018-Secured Lenders) Discounted Exercise Price or the Warrants (2018-Secured Lenders) Non-Discounted Exercise Price (as the case may be), subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll.
- “Warrants (2018-Secured Lenders) Holders”** : Registered holders of the Warrants (2018-Secured Lenders) except that where CDP is the registered holder, the term “Warrants (2018-Secured Lenders) Holders” shall, in relation to such Warrants (2018-Secured Lenders) and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Warrants (2018-Secured Lenders)
- “Warrants (2018-Secured Lenders) Non-Discounted Exercise Price”** : S\$0.2763 per Warrant (2018-Secured Lenders) Share
- “Warrant (2018-Secured Lenders) Shares”** : Up to 171,000,000 new Shares to be issued and allotted by the Company upon exercise of the Warrants (2018-Secured Lenders), subject to and in accordance with the terms and conditions of the Warrants (2018-Secured Lenders)
- “Warrants (2018-Securityholders)”** : The non-listed and transferable warrants to be issued by the Company, each carrying the right to subscribe for one (1) Warrant (2018-Securityholders) Share pursuant to the Proposed Warrants (2018-Securityholders) Issue
- “Warrants (2018-Securityholders) Deed Poll”** : The deed poll to be executed by the Company, constituting the Warrants (2018-Securityholders) (as the same may be amended or supplemented from time to time) and containing, *inter alia*, provisions for the protection of the rights and interests of the Warrants (2018-Securityholders) Holders
- “Warrants (2018-Securityholders) Exercise Period”** : The period commencing on and including the issue date of the Warrants (2018-Securityholders) and expiring at 5:00 p.m. (Singapore time) on the Warrants (2018-Securityholders) Expiration Date

DEFINITIONS

- “Warrants (2018-Securityholders) Exercise Price”** : The sum payable in respect of each Warrant (2018-Securityholders) Share to which an Warrants (2018-Securityholders) Holder will be entitled to subscribe upon the exercise of a Warrant (2018-Securityholders), being S\$0.2763, subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll
- “Warrants (2018-Securityholders) Expiration Date”** : The date falling 24 months from the date of issue of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be, provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the **“Warrants (2018-Securityholders) Expiration Date”**
- “Warrants (2018-Securityholders) Holders”** : Registered holders of the Warrants (2018-Securityholders) except that where CDP is the registered holder, the term **“Warrants (2018-Securityholders) Holders”** shall, in relation to such Warrants (2018-Securityholders) and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Warrants (2018-Securityholders)
- “Warrant (2018-Securityholders) Shares”** : Up to 452,500,000 new Shares to be issued and allotted by the Company upon exercise of the Warrants (2018-Securityholders), subject to and in accordance with the terms and conditions of the Warrants (2018-Securityholders), a summary of which is set out in Section 6.3 of this Circular
- “Warrants (2018-Shareholders)”** : The non-listed and non-transferable warrants to be issued by the Company to Shareholders, each carrying the right to subscribe for one (1) Warrant (2018-Shareholders) Share pursuant to the Proposed Warrants (2018-Shareholders) Issue
- “Warrants (2018-Shareholders) Books Closure Date”** : 10 August 2017, being the date of halting of trading of Shares of the Company, at and on which the Register of Members is closed to determine the provisional allotments of Warrants (2018-Shareholders) under the Proposed Warrants (2018-Shareholders) Issue
- “Warrants (2018-Shareholders) Deed Poll”** : The deed poll to be executed by the Company, constituting the Warrants (2018-Shareholders) (as the same may be amended or supplemented from time to time) and containing, *inter alia*, provisions for the protection of the rights and interests of the Warrant (2018-Shareholders) Holders
- “Warrants (2018-Shareholders) Discounted Exercise Price”** : S\$0.2487 per Warrant (2018-Shareholders) Share, solely where the exercise right in respect of the Warrants (2018-Shareholders) is exercised on or prior to 60 days after the issue date of the Warrants (2018-Shareholders)

DEFINITIONS

“Warrants (2018-Shareholders) Exercise Period”	:	The period commencing on and including the date of Trading Resumption and expiring at 5:00 p.m. (Singapore time) on the Warrants (2018-Shareholders) Expiration Date
“Warrants (2018-Shareholders) Exercise Price”	:	The sum payable in respect of each Warrant (2018-Shareholders) Share to which a Warrant (2018-Shareholders) Holder will be entitled to subscribe upon the exercise of a Warrant (2018-Shareholders), being either the Warrants (2018-Securityholders) Discounted Exercise Price or the Warrants (2018-Securityholders) Non-Discounted Exercise Price (as the case may be), subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Warrants (2018-Shareholders) as set out in the Warrants (2018-Shareholders) Deed Poll
“Warrants (2018-Shareholders) Expiration Date”	:	The date falling 60 months from the date of Trading Resumption, provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “Warrants (2018-Shareholders) Expiration Date”
“Warrant (2018-Shareholders) Holders”	:	Registered holders of the Warrants (2018-Shareholders)
“Warrants (2018-Shareholders) Non-Discounted Exercise Price”	:	S\$0.2763 per Warrant (2018-Shareholders) Share
“Warrant (2018-Shareholders) Shares”	:	1,244,306,043 new Shares to be issued and allotted by the Company upon exercise of the Warrants (2018-Shareholders), subject to and in accordance with the terms and conditions of the Warrants (2018-Shareholders), a summary of which is set out in Section 5.3 of this Circular
“Warrants (2018-Unsecured Lenders)”	:	The non-listed and non-transferable warrants to be issued by the Company, each carrying the right to subscribe for one (1) Warrant (2018-Unsecured Lenders) Share pursuant to the Proposed Warrants (2018-Unsecured Lenders) Issue
“Warrants (2018-Unsecured Lenders) Deed Poll”	:	The deed poll to be executed by the Company, constituting the Warrants (2018-Unsecured Lenders) (as the same may be amended or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrants (2018-Unsecured Lenders) Holders
“Warrants (2018-Unsecured Lenders) Exercise Period”	:	The period commencing on and including the date of Trading Resumption and expiring at 5:00 p.m. (Singapore time) on the Unsecured Lenders Expiration Date

DEFINITIONS

- “Warrants (2018-Unsecured Lenders) Exercise Price”** : The sum payable in respect of each Warrant (2018-Unsecured Lenders) Share to which a Warrants (2018-Unsecured Lenders) Holder will be entitled to subscribe upon the exercise of a Warrant (2018-Unsecured Lenders), being the higher of the Warrants (2018-Unsecured Lenders) Initial Exercise Price and the price that represents the six-month VWAP of a Share prior to each Warrants (2018-Unsecured Lenders) Exercise Price Setting Date, subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) as set out in the Warrants (2018-Unsecured Lenders) Deed Poll. The Warrants (2018-Unsecured Lenders) Exercise Price shall not be less than the Warrants (2018-Unsecured Lenders) Initial Exercise Price.
- “Warrants (2018-Unsecured Lenders) Exercise Price Setting Date”** : The date that is reset every six (6) months by the Company beginning on the date that is six (6) months after the date of issuance of the Warrants (2018-Unsecured Lenders) to a price that represents the six-month VWAP of the Shares prior to each exercise price setting date, rounded down to the nearest S\$0.0001, provided that if such a price is lower than the Warrants (2018-Unsecured Lenders) Initial Exercise Price, the Warrants (2018-Unsecured Lenders) Exercise Price shall be the Warrants (2018-Unsecured Lenders) Initial Exercise Price.
- “Warrants (2018-Unsecured Lenders) Holders”** : Registered holders of the Warrants (2018-Unsecured Lenders) except that where CDP is the registered holder, the term “Warrants (2018-Unsecured Lenders) Holders” shall, in relation to such Warrants (2018-Unsecured Lenders) and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Warrants (2018-Unsecured Lenders)
- “Warrants (2018-Unsecured Lenders) Initial Exercise Price”** : S\$0.2763 per Warrant (2018-Unsecured Lenders) Share
- “Warrant (2018-Unsecured Lenders) Shares”** : Up to 94,221,498 new Shares to be issued and allotted by the Company upon exercise of the Warrants (2018-Unsecured Lenders), subject to and in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders)

Currencies, Units and Others

- “%” or “per cent.”** : Per centum or percentage
- “S\$” and “cents”** : Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore

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

DEFINITIONS

The term “**associate**” shall have the meaning ascribed to it in the Listing Manual.

The terms “**subsidiaries**” and “**related corporations**” shall have the meanings ascribed to them respectively in the Companies Act.

Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Listing Manual or such statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or such statutory modification thereof, as the case may be, unless otherwise provided.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing 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 Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in figures included in this Circular between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

Cautionary Note on Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the Listing Manual and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 28 July 1999)
(Company Registration Number: 199904364E)

Directors:

Dr Wang Kai Yuen (Independent Non-Executive Chairman)
Mr Chew Thiam Keng (Chief Executive Officer and Executive Director)
Mr Tan Woon Hum (Independent Non-Executive Director)
Mr Lim Thean Ee (Independent Non-Executive Director)
Mr Yee Chia Hsing (Independent Non-Executive Director)

Registered Office:

15 Hoe Chiang Road
#12-05 Tower Fifteen
Singapore 089316

12 March 2018

To: The Shareholders of Ezion Holdings Limited

Dear Sir/Madam,

- (A) THE PROPOSED BONDS ISSUE;
- (B) THE PROPOSED WARRANTS (2018-SHAREHOLDERS) ISSUE;
- (C) THE PROPOSED WARRANTS (2018-SECURITYHOLDERS) ISSUE;
- (D) THE PROPOSED SERIES 008 SECURITIES CONVERSION SHARES ISSUE;
- (E) THE PROPOSED INTEREST SHARES ISSUE;
- (F) THE PROPOSED SECURITYHOLDERS CONSENT SHARES ISSUE;
- (G) THE PROPOSED WARRANTS (2018-SECURED LENDERS) ISSUE;
- (H) THE PROPOSED TLF CONSENT SHARES ISSUE;
- (I) THE PROPOSED WARRANTS (2018-UNSECURED LENDERS) ISSUE;
- (J) THE PROPOSED PROFESSIONAL FEES SHARES ISSUE; AND
- (K) THE PROPOSED PRIVATE SUBSCRIBER OPTION SHARES ISSUE.

1. INTRODUCTION

1.1 Overview

The Board refers to the following previous announcements on the following dates (the "**Previous Announcements**"):

- (a) 14 August 2017;

LETTER TO SHAREHOLDERS

- (b) 23 August 2017;
- (c) 28 August 2017;
- (d) 15 September 2017;
- (e) 20 September 2017;
- (f) 3 October 2017;
- (g) 8 October 2017;
- (h) 23 October 2017;
- (i) 24 October 2017;
- (j) 30 October 2017;
- (k) 3 November 2017;
- (l) 20 November 2017; and
- (m) 7 February 2018.

Copies of the Previous Announcements are available on the website of the SGX-ST at <http://www.sgx.com>.

1.2 Purpose of this Circular

The Directors are convening an EGM to be held on 28 March 2018 at 10.00 a.m. at Tee Garden, Warren Golf & Country Club, 81 Choa Chu Kang Way, Singapore 688263 to seek Shareholders' approval for the Proposed Bonds Issue, the Proposed Warrants (2018-Shareholders) Issue, the Proposed Warrants (2018-Securityholders) Issue, the Proposed Series 008 Securities Conversion Shares Issue, the Proposed Interest Shares Issue, the Proposed Securityholders Consent Shares Issue, the Proposed Warrants (2018-Secured Lenders) Issue, the Proposed TLF Consent Shares Issue, the Proposed Warrants (2018-Unsecured Lenders) Issue, the Proposed Professional Fees Shares Issue and the Proposed Private Subscriber Option Shares Issue (collectively, the "**Proposed Transactions**").

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Transactions, and to seek Shareholders' approval in relation thereto at the EGM. The Notice of EGM is set out on pages N-1 to N-8 of this Circular.

The SGX-ST assumes no responsibility for the contents of this Circular including the accuracy, completeness or correctness of any of the statements made, opinions expressed or reports contained in this Circular.

LETTER TO SHAREHOLDERS

2. APPROVAL IN-PRINCIPLE FROM THE SGX-ST

In connection with the Proposed Transactions, the Company had submitted an application to the SGX-ST for the listing and quotation of the Series B Convertible Bonds, the Series B Conversion Shares, the Warrant (2018-Shareholders) Shares, the Warrant (2018-Securityholders) Shares, the Warrants (2018-Securityholders), the Series 008 Securities Conversion Shares, the Interest Shares, the Securityholders Consent Shares, the Warrant (2018-Secured Lenders) Shares, the TLF Consent Shares, the Warrant (2018-Unsecured Lenders) Shares, the Professional Fees Shares and the Private Subscriber Option Shares, on the Main Board of the SGX-ST.

As at the Latest Practicable Date, the SGX-ST has not granted its approval for the abovementioned. The Company will make the appropriate announcements when approval from the SGX-ST is obtained.

Shareholders are advised that the approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Bonds Issue, the Series B Convertible Bonds, the Series B Conversion Shares, the Proposed Warrants (2018-Shareholders) Issue, the Warrants (2018-Shareholders), the Warrant (2018-Shareholders) Shares, the Proposed Warrants (2018-Securityholders) Issue, the Warrants (2018-Securityholders), the Warrant (2018-Securityholders) Shares, the Proposed Series 008 Securities Conversion Shares Issue, the Series 008 Securities Conversion Shares, the Proposed Interest Shares Issue, the Interest Shares, the Proposed Securityholders Consent Shares Issue, the Securityholders Consent Shares, the Proposed Warrants (2018-Secured Lenders) Issue, the Warrants (2018-Secured Lenders), the Warrant (2018-Secured Lenders) Shares, the Proposed TLF Consent Shares Issue, the TLF Consent Shares, the Proposed Warrants (2018-Unsecured Lenders) Issue, the Warrants (2018-Unsecured Lenders), the Warrant (2018-Unsecured Lenders) Shares, the Proposed Professional Fees Shares Issue, the Professional Fees Shares, the Proposed Private Subscriber Option Shares Issue, the Private Subscriber Option Shares, the Company and/or its subsidiaries.

Shareholders should note that the exchange rate used in this Circular is an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016, for the purposes of obtaining the approval in-principle from the SGX-ST. Shareholders should note, however, that the eventual exchange rate to be used for each of the Proposed Transactions (where relevant) will be the prevailing exchange rate as at the point of completion of each of the Proposed Transactions.

3. THE REFINANCING EXERCISE

- 3.1 As announced by the Company in the Previous Announcements, the Company intends to undertake a refinancing exercise of itself and its subsidiaries of all of their current secured and unsecured debts (excluding, if deemed necessary by the Company, trade debts incurred or to be incurred in the ordinary course of business) to strengthen its cash flow and working capital position (“**Refinancing Exercise**”).
- 3.2 The Refinancing Exercise is primarily proposed to be carried out by way of the following:

LETTER TO SHAREHOLDERS

- (a) consensual bilateral negotiations with each of the Secured Lenders of the Group on terms that will provide the Group with sufficient working capital to continue its business as currently conducted;
- (b) a consent solicitation exercise as detailed in the Consent Solicitation Statement to obtain consensual agreement on the refinancing of the Securities issued under the Company's Multicurrency Debt Issuance Programme. The consent solicitation exercise is subject to the approval of the requisite majority of Securityholders which has been obtained on 20 November 2017 at the Securityholders' Meeting; and
- (c) the passing of the Ordinary Resolution 1 to approve the Proposed Transactions.

3.3 In connection with the consent solicitation exercise, the Company will be entering into Supplemental Trust Deeds with DBS Trustee Limited ("**DBS Trustee**") (the "**Supplemental Trust Deeds**") to:

- (a) amend the provisions of the trust deed dated 9 May 2012 between the Company and DBS Trustee, as amended by a supplemental trust deed dated 12 June 2014 (the "**MTN Trust Deed**"), relating to the Multicurrency Debt Issuance Programme and constituting the Series of Securities; and
- (b) amend the terms and conditions of such Series of Securities,

subject to the fulfilment (or waiver) of certain conditions including, *inter alia*, obtaining Shareholders' approval for the Proposed Transactions. Accordingly, the proposed amendments to the terms of the MTN Trust Deed and the terms and conditions of such Series of Securities will not become effective until the passing of the relevant Ordinary Resolution 1.

3.4 No adjustments to the REPS, Ezion Employee Share Option Scheme and the 2016 Warrants will be made pursuant to the Proposed Transactions.

4. THE PROPOSED BONDS ISSUE

4.1 Background

Pursuant to the terms of the Supplemental Trust Deeds and the approval obtained by the Company from the Securityholders (other than a holder of Series 008 Securities) at the Securityholders' Meeting on 20 November 2017, the Company proposes to amend the terms and conditions of the Securities by, *inter alia*, adding an additional redemption option to provide that the Company may redeem all (but not some only) of the Series 003 Securities, Series 004 Securities, Series 005 Securities, Series 006 Securities and Series 007 Securities at S\$250,000 for each S\$250,000 in specified denomination amount of Securities redeemed (the "**Refinancing Redemption Amount**"), payable entirely in the form of an equivalent principal amount of Series B Convertible Bonds, unless the relevant Securityholder elects to receive an equivalent principal amount of Series A Non-Convertible Bonds. As stated in the Company's announcement on 20 November 2017, the Securityholders (other than a holder of Series 008 Securities) have elected to receive S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds.

LETTER TO SHAREHOLDERS

Consequently, the Company is seeking Shareholders' approval at the EGM to approve the Proposed Bonds Issue of S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds by the Company to the Securityholders (other than a holder of Series 008 Securities) who have elected to receive the Series B Convertible Bonds. The summary of the terms and conditions of the Series B Convertible Bonds is set out in Section 4.2 of this Circular.

The Series B Convertible Bonds are to be issued to the relevant Securityholders pursuant to Sections 274 and 275 of the SFA. Hence, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in respect of the Proposed Bonds Issue.

The terms of the Amended Series 008 Securities are different from the Series B Convertible Bonds (shorter conversion period and interest step-up after seven (7) years from 20 November 2017), as the Series 008 Securities are subordinated perpetual securities, being a different class of securities from the Series 003 Securities to Series 007 Securities (which are bonds). Please refer to Section 7 of this Circular for details of the Proposed Series 008 Securities Conversion Shares Issue.

4.2 Summary of the Terms and Conditions of the Series B Convertible Bonds

The summary of the terms and conditions of the Series B Convertible Bonds is as follows:

Issue Size	: S\$333,000,000 in principal amount of the 0.25% Series B Convertible Bonds due 2023.
Issue Price	: 100.0% of the principal amount of the Series B Convertible Bonds.
Issue Date	: No later than 30 days after Ordinary Resolution 1 is passed by Shareholders.
Maturity Date	: Six (6) years from the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (the " Series B Maturity Date "), being 19 November 2023.
Status	: The Series B Convertible Bonds will be direct, unsubordinated, unconditional and unsecured obligations of the Company and will rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the Series B Convertible Bonds will, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of its other present and future direct, unsubordinated and unsecured obligations.

LETTER TO SHAREHOLDERS

Interest

- : The Series B Convertible Bonds will bear interest on its outstanding principal amount from the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 November 2017) at the rate of 0.25% per annum (the “**Interest Rate**”), such interest payable semi-annually in arrears on each interest payment date. The first interest payment date shall occur on the date that is six (6) calendar months after the first Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 May 2018) and each subsequent interest payment date shall occur on the same day and month as, and the same day but six (6) calendar months after the month of, such first interest payment date, as the case may be, commencing on the interest payment date immediately after the first interest payment date.

The amount of interest payable with respect to each S\$50,000 in principal amount of the Series B Convertible Bonds on each interest payment date shall be the product of the Interest Rate, S\$50,000 and the Day Count Fraction for the period from and including the immediately preceding interest payment date (or in relation to the first interest payment date, the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 November 2017)) to but excluding the next interest payment date.

Unless previously converted or redeemed, the Series B Convertible Bonds will cease to bear interest on the Series B Maturity Date, save for any amount payable in accordance with the terms and conditions of the Series B Convertible Bonds as set out in the Refinancing Bonds Trust Deed.

Notwithstanding the above, the Series B Convertible Bonds will cease to bear interest where the conversion right attached to it shall have been exercised, from and including the interest payment date last preceding its conversion date (or if such conversion date falls on or before the first interest payment date, the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 November 2017)) subject to conversion of the relevant Series B Convertible Bonds.

Conversion Period

- : Subject to certain closed conversion periods, at any time after the date of issue of the Series B Convertible Bonds up to the close of business on the date that is five (5) years from the date the first of any of the Extraordinary

LETTER TO SHAREHOLDERS

Resolution No. 1 of any Series of Securities is passed (being 19 November 2022) (the “**Series B Expiration Date**”) or, if such Series B Convertible Bonds have been called for redemption prior to the Series B Expiration Date, then up to the close of business on a date no later than seven (7) Business Days prior to the date fixed for redemption thereof.

Conversion Price

: The Series B Conversion Price of the Series B Convertible Bonds will initially be S\$0.2763 per Series B Conversion Share (which represents a 10.0% discount to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017), subject to adjustment in accordance with the terms and conditions of the Series B Convertible Bonds (the initial Series B Conversion Price as so adjusted from time to time, the “**Series B Minimum Conversion Price**”).

However, solely where the conversion right is exercised on or prior to 60 days after the issue date, the Series B Conversion Price shall be S\$0.2487 per Series B Conversion Share (which represents a 10.0 per cent. discount to the Series B Minimum Conversion Price) (the “**Series B Discounted Conversion Price**”).

The Series B Conversion Price shall be reset every six (6) months (each, a “**Conversion Price Reset Date**”) by the Company beginning on the date that is six (6) months after the issue date of the Series B Convertible Bonds to a price that represents the six-month VWAP of the Shares prior to each Conversion Price Reset Date, rounded down to the nearest S\$0.0001, provided that if such a price is lower than the Series B Minimum Conversion Price, the Series B Conversion Price shall be the Series B Minimum Conversion Price.

Adjustments

: The Series B Conversion Price is subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Series B Convertible Bonds. Such circumstances relate to, *inter alia*:

- (i) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves;

LETTER TO SHAREHOLDERS

- (ii) a capital distribution made by the Company to Shareholders;
- (iii) issue by the Company of Shares by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
- (iv) any consolidation, subdivision or reclassification of Shares.

Please refer to **Appendix A** to this Circular for the provisions which the Company will use to determine adjustments to the Series B Conversion Price.

Warrants (2018-Securityholders)

- : If a Series B Bondholder exercises its conversion right with respect to S\$50,000 in principal amount of Series B Convertible Bonds and each S\$50,000 in principal amount in excess thereof on or prior to the date that is 60 days after the issue date, the Company shall, at the same time that it delivers the Series B Conversion Shares to be issued upon the exercise of such conversion right, also issue to such Series B Bondholders 50,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Series B Convertible Bonds so converted. If such conversion occurs after 60 days but on or prior to the date that is six (6) months after such issue date, the Company will issue 25,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Series B Convertible Bonds so converted. Please refer to Section 6 of this Circular for further information on the Warrants (2018-Securityholders).

For the avoidance of doubt, a Series B Bondholder who exercises its conversion right after such periods will not be eligible to receive any Warrants (2018-Securityholders).

The Warrants (2018-Securityholders) will be issued free.

Transfer

- : Subject to the terms of the agency agreement for the Series B Convertible Bonds, the Series B Convertible Bonds may be transferred by delivery of the certificate issued in respect of those Series B Convertible Bonds, together with the form of transfer on the back duly completed and signed under the hand of the holder or his attorney duly authorised in writing (a copy of such

LETTER TO SHAREHOLDERS

authorisation to be attached to the form of transfer), to the specified office of the Registrar or any of the principal paying, conversion and transfer agent or Registrar. No transfer of title to Series B Convertible Bonds will be valid unless and until entered on the register of bondholders. Transfers of interests in Series B Convertible Bonds evidenced by the global certificate will be effected in accordance with the rules of the Depository.

- Redemption At Maturity** : Unless previously redeemed, converted or purchased and cancelled, the Company will redeem the Series B Convertible Bonds on the Series B Maturity Date at 100.0% of their principal amount.
- Redemption at the Option of the Company** : The Company may, having given not less than 30 nor more than 60 days' notice to the Series B Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Series B Convertible Bonds at 100.0% of their principal amount plus interest accrued, if any, to but excluding the date for redemption if at any time the aggregate principal amount of the Series B Convertible Bonds outstanding is less than 10.0% of the aggregate principal amount of the Series B Convertible Bonds originally issued.
- Redemption For Taxation Reasons** : At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Series B Bondholders (which notice shall be irrevocable) redeem all, and not some only, of the Series B Convertible Bonds at 100.0% of their principal amount plus interest accrued, if any, to but excluding the date fixed for redemption, if as a result of certain events the Company has or will become obliged to pay additional amounts pursuant to deduction or withholding for or on account of any taxes, or the payment of such additional amounts is increased.
- Redemption At The Option Of Series B Bondholders For Delisting** : If the Shares cease to be listed or traded on the SGX-ST, the Company shall, at the option of the Series B Bondholders, redeem such Series B Convertible Bonds at 100.0% of their principal amount plus interest accrued, if any, to but excluding the date fixed for redemption, being the date falling 30 days after the Shares cease to be listed or admitted to trading.
- Form And Denomination Of The Series B Convertible Bonds** : The Series B Convertible Bonds will be issued in registered form in the denomination of S\$50,000 and integral multiples of S\$50,000 in excess thereof.

LETTER TO SHAREHOLDERS

- Further Issues** : The Company may from time to time without the consent of the Series B Bondholders create and issue further securities having the same terms and conditions as the Series B Convertible Bonds in all respects (other than in relation to the issue date or the issue price) so that such further issues shall be consolidated and form a single series with the outstanding Series B Convertible Bonds but the Series B Bondholders 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.
- Notice of Expiration** : The Company shall, not later than one (1) month before the Series B Maturity Date, announce the Series B Maturity Date on the SGXNET and take reasonable steps to notify the Series B Bondholders in writing of the Series B Maturity Date and such notice shall be delivered by post to the addresses of the Series B Bondholders.
- Alteration to Terms** : Any material modification to the terms of the Series B Convertible Bonds which is to the advantage of the Series B Bondholders but is materially prejudicial to the interests of Shareholders shall not be effected without the prior approval of the Shareholders at a general meeting of the Shareholders, unless such modification is made pursuant to the terms of the Series B Convertible Bonds.
- Rights on Liquidation of the Company** : The Series B Convertible Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the issuer under the Series B Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of its other present and future direct, unsubordinated and unsecured obligations.
- Governing Law** : Laws of the Republic of Singapore.
- Listing** : An application has been made for the listing of the Series B Convertible Bonds on the SGX-ST. The Series B Convertible Bonds will be traded on the SGX-ST in a minimum board lot size of S\$200,000 for so long as the Series B Convertible Bonds are listed on the SGX-ST. An application has been made for the Series B Conversion Shares issuable upon conversion of the Series B Convertible Bonds to be listed on the SGX-ST.

LETTER TO SHAREHOLDERS

Clearance and Settlement : The Series B Convertible Bonds will be represented by one or more global certificates, each deposited on or about the relevant issue date with, and registered in the name of, CDP.

4.3 **Series B Conversion Shares**

The number of Series B Conversion Shares to be issued on conversion of the Series B Convertible Bonds will be determined by dividing the principal amount of the Series B Convertible Bonds to be converted by the Series B Conversion Price in effect at the conversion date in respect of the Series B Convertible Bonds.

Following conversion in accordance with the terms and conditions of the Series B Convertible Bonds, the rights of the converting Series B Bondholder in respect of such Series B Convertible Bonds shall be extinguished and released, and in consideration and in exchange therefor, the Company shall allot and issue the Series B Conversion Shares credited as paid-up in full. The conversion right may only be exercised in respect of Series B Convertible Bonds in a minimum denomination of S\$50,000 and integral multiples of S\$50,000 in excess thereof. In relation to any of the Series B Convertible Bonds held by a Series B Bondholder that are being converted at any one time by the same Series B Bondholder, the number of Series B Conversion Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Series B Convertible Bonds to be converted. Fractions of Series B Conversion Shares will not be issued on conversion and no cash adjustments will be made in respect thereof.

The Series B Conversion Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be fully transferable, and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant conversion date in respect of the Series B Convertible Bonds and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares. Series B Convertible Bonds which are duly converted will be cancelled on the relevant Registration Date.

Assuming that the conversion right in respect of S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds that the Securityholders (other than a holder of the Series 008 Securities) have elected to receive is fully exercised on or prior to 60 days after the issue date of the Series B Convertible Bonds at the Series B Discounted Conversion Price of S\$0.2487 per Series B Conversion Share, 1,338,962,605 Series B Conversion Shares will be issued, representing approximately 64.6% of the Existing Share Capital (as defined in Section 5.2 below) as at the Latest Practicable Date, and approximately 21.5% of the Enlarged Issued Share Capital of the Company.

4.4 **Conditions for the Proposed Issue of Series B Convertible Bonds**

Shareholders should note that the Proposed Bonds Issue is subject to, *inter alia*, the following:

LETTER TO SHAREHOLDERS

- (a) the receipt of approval in principle from the SGX-ST for the listing of the Series A Non-Convertible Bonds, the Series B Convertible Bonds and the Series C Non-Convertible Bonds on the SGX-ST; and
- (b) the receipt of approval in principle from the SGX-ST for the listing and quotation of the Interest Shares, the Securityholders Consent Shares, the Series 008 Securities Conversion Shares, the Series B Conversion Shares and the Warrant (2018-Securityholders) Shares, in each case on the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

Shareholders' approval is not required for the issue of the Series A Non-Convertible Bonds and the Series C Non-Convertible Bonds under the Listing Manual as these are not convertible into shares of the Company.

5. THE PROPOSED WARRANTS (2018-SHAREHOLDERS) ISSUE AS A BONUS ISSUE TO SHAREHOLDERS

5.1 Background

On 7 February 2018, the Company announced that it is proposing a bonus issue of 1,244,306,043 free non-listed and non-transferable warrants (the "**Warrants (2018-Shareholders)**") to Shareholders, with each Warrant (2018-Shareholders) carrying the right to subscribe for one (1) new Share ("**Warrant (2018-Shareholders) Share**") at the Warrants (2018-Shareholders) Exercise Price per Warrant (2018-Shareholders) Share, on the basis of three (3) Warrants (2018-Shareholders) for every five (5) Shares held by Shareholders as at the Warrants (2018-Shareholders) Books Closure Date.

An offer information statement for the Warrants (2018-Shareholders), Warrants (2018-Securityholders), Warrants (2018-Secured Lenders) and Warrants (2018-Unsecured Lenders) will be lodged with the Monetary Authority of Singapore in due course.

The Company is not seeking listing of the Warrants (2018-Shareholders) as the Warrants (2018-Shareholders) are non-transferable such that the value of these Warrants (2018-Shareholders) can be realised only by exercising the Warrants (2018-Shareholders) as part of the Refinancing Exercise.

5.2 Size of the Proposed Warrants (2018-Shareholders) Issue

As at the Warrants (2018-Shareholders) Books Closure Date, the Company has an issued share capital (excluding treasury shares) of 2,073,843,405 Shares (the "**Existing Share Capital**").

Based on the Existing Share Capital, the Company will issue 1,244,306,043 Warrants (2018-Shareholders) under the Proposed Warrants (2018-Shareholders) Issue.

LETTER TO SHAREHOLDERS

5.3 Principal Terms of the Proposed Warrants (2018-Shareholders) Issue

The principal terms and conditions of the Warrants (2018-Shareholders), to be constituted by the deed poll to be executed by the Company (the “**Warrants (2018-Shareholders) Deed Poll**”), are summarised as follows:

Number of Warrants (2018-Shareholders) : 1,244,306,043 non-listed Warrants (2018-Shareholders).

Basis of Allotment : Three (3) Warrants (2018-Shareholders) for every five (5) Shares held by Shareholders, fractional entitlements to be disregarded.

Issue Price : The Warrants (2018-Shareholders) will be issued free to Shareholders.

Exercise Price : The price at which the Warrant (2018-Shareholders) Shares will be issued upon exercise (the “**Warrant (2018-Shareholders) Exercise Price**”) of the Warrants (2018-Shareholders) will be S\$0.2763 per Warrant (2018-Shareholders) Share (which represents a 10.0% discount to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017), subject to adjustment in accordance with the terms and conditions of the Warrants (2018-Shareholders) (the initial Warrants (2018-Shareholders) Exercise Price as so adjusted from time to time, the “**Warrants (2018-Shareholders) Non-Discounted Exercise Price**”).

However, solely where the conversion right is exercised on or prior to 60 days after the issue date, the Warrants (2018-Shareholders) Exercise Price shall be S\$0.2487 per Warrant (2018-Shareholders) Share (which represents a 10.0 per cent. discount to the Warrants (2018-Shareholders) Non-Discounted Exercise Price) (the “**Warrants (2018-Shareholders) Discounted Exercise Price**”).

Exercise Period : The period commencing on and including the date of Trading Resumption and expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of Trading Resumption, provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “**Warrants (2018-Shareholders) Expiration Date**”.

LETTER TO SHAREHOLDERS

- Exercise Rights** : Subject to the terms and conditions of the Warrants (2018-Shareholders) Deed Poll, each Warrant (2018-Shareholders) entitles the holder of the Warrant (the “**Warrant (2018-Shareholders) Holder**”) to subscribe for one (1) Warrant (2018-Shareholders) Share at the Warrants (2018-Shareholders) Exercise Price at any time during the Warrants (2018-Shareholders) Exercise Period.
- Number and Status of Warrant (2018-Shareholders) Shares** : As at the Latest Practicable Date, the Company has an issued share capital of 2,073,843,405 Shares (excluding treasury shares).
- Accordingly, the number of Warrant (2018-Shareholders) Shares to be allotted and issued by the Company assuming full exercise of the Warrants (2018-Shareholders) is 1,244,306,043 Warrant (2018-Shareholders) Shares, representing approximately 60.0% of the Existing Share Capital as at the Latest Practicable Date, and approximately 20.0% of the Enlarged Issued Share Capital of the Company.
- The Warrant (2018-Shareholders) Shares will upon issue and allotment, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Shareholders) and, subject as aforesaid, shall rank *pari passu* in all respects with the then existing Shares.
- Listing of the Warrants (2018-Shareholders) and the Warrant (2018-Shareholders) Shares** : The Warrants (2018-Shareholders) will not be listed on the Main Board of the SGX-ST.
- The Company has applied for the listing and quotation of 1,244,306,043 Warrant (2018-Shareholders) Shares arising from the Proposed Warrants (2018-Shareholders) Issue. Please note that the approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Warrants (2018-Shareholders) Issue, the Warrants (2018-Shareholders), the Warrant (2018-Shareholders) Shares, the Company and/or its subsidiaries.
- Transfer** : The Warrants (2018-Shareholders) shall be non-transferable.

LETTER TO SHAREHOLDERS

Adjustments

- : The Warrants (2018-Shareholders) Exercise Price and the number of Warrants (2018-Shareholders) to be held by the Warrant (2018-Shareholders) Holders are subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Warrants (2018-Shareholders) as contained in the Warrants (2018-Shareholders) Deed Poll. Such circumstances relate to:
- (i) issue by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves;
 - (ii) a capital distribution made by the Company to Shareholders whether on a reduction of capital or otherwise;
 - (iii) an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
 - (iv) any consolidation, subdivision, reclassification or conversion of Shares.

Please refer to **Appendix B** to this Circular for the provisions which the Company will use to determine adjustments to the Warrants (2018-Shareholders) Exercise Price and the number of Warrants (2018-Shareholders).

Any additional Warrants (2018-Shareholders) issued pursuant to such adjustments shall rank *pari passu* with the Warrants (2018-Shareholders) issued under the Proposed Warrants (2018-Shareholders) Issue and will for all purposes form part of the same series.

Notice of Expiration

- : The Company shall, not later than one (1) month before the Warrants (2018-Shareholders) Expiration Date, announce the Warrants (2018-Shareholders) Expiration Date on the SGXNET and take reasonable steps to notify the Warrant (2018-Shareholders) Holders in writing of the Warrants (2018-Shareholders) Expiration Date and such notice shall be delivered by post to the addresses of the Warrant (2018-Shareholders) Holders.

Without prejudice to the generality of the foregoing, Warrant (2018-Shareholders) Holders who acquire

LETTER TO SHAREHOLDERS

Warrants (2018-Shareholders) after notice of the expiry of the Warrants (2018-Shareholders) Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Warrants (2018-Shareholders) Exercise Period so long as such notice has been given in accordance with the terms and conditions of the Warrants (2018-Shareholders). 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 (2018-Shareholders) to be aware of or to receive such notification. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Market Day after posting.

Alteration to Terms : No material alteration to the terms of the Warrants (2018-Shareholders) after the issue thereof to the advantage of the Warrant (2018-Shareholders) Holders shall be made, unless the alterations are made pursuant to the terms and conditions of the Warrants (2018-Shareholders) or the prior approval of the Shareholders in general meeting has been sought.

Winding Up : If prior to the expiry of the Warrants (2018-Shareholders), an effective resolution is passed 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 Warrant (2018-Shareholders) Holders by way of an extraordinary resolution, the terms of such scheme of arrangement shall be binding on all the Warrant (2018-Shareholders) Holders and all persons having an interest in the Warrants (2018-Shareholders).

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 Warrant (2018-Shareholders) Holder shall be entitled upon and subject to the terms and conditions of the Warrants (2018-Shareholders) Deed Poll, at any time within three (3) 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 the terms and conditions of the Warrants (2018-Shareholders) Deed Poll, to elect to be treated as if he

LETTER TO SHAREHOLDERS

had immediately prior to the commencement of such winding-up exercised the Warrants (2018-Shareholders) 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 Warrant (2018-Shareholders) Holders in accordance with the terms and conditions of the Warrants (2018-Shareholders) Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants (2018-Shareholders) which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants (2018-Shareholders) shall cease to be valid for any purpose.

Further Issues : Subject to the terms and conditions of the Warrants (2018-Shareholders) as set out in the Warrants (2018-Shareholders) Deed Poll, 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 Warrant (2018-Shareholders) Holders 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.

Governing Law : Laws of the Republic of Singapore.

5.4 **Conditions for the Proposed Warrants (2018-Shareholders) Issue**

Shareholders should note that the Proposed Warrants (2018-Shareholders) Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of 1,244,306,043 Warrant (2018-Shareholders) Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (b) the lodgement of the offer information statement, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Proposed Warrants (2018-Shareholders) Issue, with the Monetary Authority of Singapore; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

LETTER TO SHAREHOLDERS

5.5 Eligibility of Shareholders to Participate in the Proposed Warrants (2018-Shareholders) Issue

The Warrants (2018-Shareholders) to be issued pursuant to the Proposed Warrants (2018-Shareholders) Issue will be credited and allotted to Shareholders whose names appear in the records of the CDP or the Register of Members, as the case may be, as at the Warrants (2018-Shareholders) Books Closure Date, with registered addresses in Singapore or who have, at least three (3) consecutive Market Days prior to the Warrants (2018-Shareholders) Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (“**Entitled Shareholders**”). Entitled Shareholders will be issued the Warrants (2018-Shareholders) on the basis of their shareholdings as at the Warrants (2018-Shareholders) Books Closure Date.

For practical reasons and in order to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Warrants (2018-Shareholders) will not be offered or credited or allotted (as the case may be) to Shareholders with registered addresses outside Singapore as at the Warrants (2018-Shareholders) Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”).

The Warrants (2018-Shareholders) which would otherwise be allotted to Foreign Shareholders will be 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, CDP, the Directors, the share registrar and/or the SGX-ST and their respective officers in respect of such entitlements to the Warrants (2018-Shareholders).

Any entitlements to the Warrants (2018-Shareholders) not taken up for any reason and fractional entitlements to the Warrants (2018-Shareholders) which are disregarded and not allotted to Entitled Shareholders will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

5.6 Adjustment and Modification

In compliance with Rules 829 and 830 of the Listing Manual, the Company will:

- (a) announce any adjustment made pursuant to the Warrants (2018-Shareholders) Exercise Price pursuant to Rule 829(1) of the Listing Manual;
- (b) announce the expiry of the Warrants (2018-Shareholders) and a notice of the expiry will be sent to the Warrant (2018-Shareholders) Holders at least one (1) month before the Warrants (2018-Shareholders) Expiration Date; and
- (c) obtain Shareholders’ approval at a general meeting of the Shareholders for any material modification to the terms of the Warrants (2018-Shareholders) which is for the benefit of the Warrant (2018-Shareholders) Holders, unless such modification is made pursuant to the terms of the Warrants (2018-Shareholders).

LETTER TO SHAREHOLDERS

5.7 Use of Proceeds

Assuming that all of the 1,244,306,043 Warrants (2018-Shareholders) issued are exercised in full at the Warrants (2018-Shareholders) Non-Discounted Exercise Price of S\$0.2763 per Warrant (2018-Shareholders) Share, the Proposed Warrants (2018-Shareholders) Issue will raise approximately S\$343.8 million over the Warrants (2018-Shareholders) Exercise Period of 60 months and the net proceeds of the Proposed Warrants (2018-Shareholders) Issue, after deducting estimated expenses of approximately S\$2.0 million, will amount to approximately S\$341.8 million. The Company expects to utilise the net proceeds from the Shareholders relating to the Proposed Warrants (2018-Shareholders) Issue in the following manner:

- (a) approximately 30% to be used for the potential acquisition of new offshore and marine assets, as well as the potential upgrading and modification of existing offshore and marine assets; and
- (b) approximately 70% to be used for general working capital purposes, provided that no funds shall, in any event, be used for the payment (whether principal, premium, interest, fees, commissions or any other payment) arising from or in connection with any new or existing loans made to the Company or any of its subsidiaries in excess of US\$4.8 million.

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of such proceeds as and when the funds are materially disbursed, as well as provide status reports on the use of such proceeds in the Company's annual reports until such time the proceeds have been fully utilised. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

6. THE PROPOSED WARRANTS (2018-SECURITYHOLDERS) ISSUE

6.1 Background

On 7 February 2018, the Company announced that it is proposing an issue of up to 452,500,000 free non-listed warrants (the "**Warrants (2018-Securityholders)**") to Securityholders who exercise their conversion rights with respect to S\$50,000 in principal amount of Series B Convertible Bonds or S\$50,000 in principal amount of Amended Series 008 Securities during the Early Conversion Period, with each Warrant (2018-Securityholders) carrying the right to subscribe for one (1) new Share ("**Warrant (2018-Securityholders) Share**") at the Warrants (2018-Securityholders) Exercise Price (the "**Proposed Warrants (2018-Securityholders) Issue**").

An offer information statement for the Warrants (2018-Shareholders), Warrants (2018-Securityholders), Warrants (2018-Secured Lenders) and Warrants (2018-Unsecured Lenders) will be lodged with the Monetary Authority of Singapore in due course.

LETTER TO SHAREHOLDERS

6.2 Size of the Proposed Warrants (2018-Securityholders) Issue

Assuming that the S\$333,000,000 in aggregate principal amount of Series B Bondholders and the S\$119,500,000 in aggregate principal amount of Amended Series 008 Securityholders exercise their conversion rights with respect to the Series B Convertible Bonds and the Amended Series 008 Securities, as the case may be, on or prior to the date that is 60 days after the issue date of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be, a maximum of 452,500,000 Warrants (2018-Securityholders) will be issued to the relevant Securityholders.

6.3 Principal Terms of the Proposed Warrants (2018-Securityholders) Issue

The principal terms and conditions of the Warrants (2018-Securityholders), to be constituted by the deed poll to be executed by the Company (the “**Warrants (2018-Securityholders) Deed Poll**”), are summarised as follows:

Number of Warrants (2018-Securityholders) : Up to 452,500,000 non-listed Warrants (2018-Securityholders).

Basis of Allotment : (a) Series B Bondholder

If a Series B Bondholder exercises its conversion right with respect to S\$50,000 in principal amount of Series B Convertible Bonds and each S\$50,000 in principal amount in excess thereof on or prior to the date that is 60 days after the issue date, the Company shall, at the same time that it delivers the Series B Conversion Shares to be issued upon the exercise of such conversion right, also issue to such Series B Bondholder 50,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Series B Convertible Bonds so converted. If such conversion occurs after 60 days but on or prior to the date that is six (6) months after such issue date, the Company will issue 25,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Series B Convertible Bonds so converted.

For the avoidance of doubt, a Series B Bondholder who exercises its conversion right after such periods will not be eligible to receive any Warrants (2018-Securityholders).

(b) Amended Series 008 Securityholder

If an Amended Series 008 Securityholder exercises its conversion right with respect to S\$50,000 in principal amount of the Amended Series 008 Securities and each

LETTER TO SHAREHOLDERS

S\$50,000 in principal amount in excess thereof on or prior to the date that is 60 days after the effective date of the amendments to the Series 008 Securities, the Company shall, at the same time that it delivers Series 008 Securities Conversion Shares to be issued upon the exercise of such conversion right, also issue to such Amended Series 008 Securityholder 50,000 Warrants (2018-Securityholders) for every S\$50,000 principal amount of Amended Series 008 Securities so converted. If such conversion occurs after 60 days but on or prior to the date that is six (6) months after such effective date, the Company will issue 25,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Amended Series 008 Securities so converted.

For the avoidance of doubt, an Amended Series 008 Securityholder who exercises its conversion right after such periods will not be eligible to receive any Warrants (2018-Securityholders).

- Issue Price** : The Warrants (2018-Securityholders) will be issued free.
- Exercise Price** : S\$0.2763 in respect of each Warrant (2018-Securityholders) Share (the “**Warrants (2018-Securityholders) Exercise Price**”), which represents a discount of 10% to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017, subject to adjustment in accordance with the terms and conditions of the Warrants (2018-Securityholders).
- Exercise Period** : The period commencing on and including the date of issue of the Warrants (2018-Securityholders) and expiring at 5:00 p.m. (Singapore time) on the date falling 24 months from the date of issue of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be, provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “**Warrants (2018-Securityholders) Expiration Date**”.
- Exercise Rights** : Subject to the terms and conditions of the Warrants (2018-Securityholders) Deed Poll, each Warrant (2018-Securityholders) entitles the holder of the Warrant (2018-Securityholders) (the “**Warrants (2018-Securityholders) Holder**”) to subscribe for one (1) Warrant (2018-

LETTER TO SHAREHOLDERS

Securityholders) Share at the Warrants (2018-Securityholders) Exercise Price at any time during the Warrants (2018-Securityholders) Exercise Period.

Number and Status of Warrant (2018-Securityholders) Shares

: Assuming that (i) a maximum of 452,500,000 Warrants (2018-Securityholders) are issued to the relevant Securityholders, and (ii) all of the 452,500,000 Warrants (2018-Securityholders) are exercised, a maximum of 452,500,000 Warrant (2018-Securityholders) Shares will be allotted and issued by the Company to the relevant Securityholders. The 452,500,000 Warrant (2018-Securityholders) Shares represent approximately 21.8% of the Existing Share Capital as at the Latest Practicable Date and approximately 7.3% of the Enlarged Issued Share Capital of the Company.

The Warrant (2018-Securityholders) Shares will upon issue and allotment, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Securityholders) and, subject as aforesaid, shall rank *pari passu* in all respects with the then existing Shares.

Listing of the Warrants (2018-Securityholders) and the Warrant (2018-Securityholders) Shares

: The Warrants (2018-Securityholders) will not be listed on the Main Board of the SGX-ST upon issuance as the listing is subject to the spread requirement of a minimum of 100 holders which currently is not met. The Warrants (2018-Securityholders) will be issued after Securityholders exercise their conversion rights in relation to Series B Convertible Bonds or Amended Series 008 Securities during the Early Conversion Period (being up to six (6) months after issuance of the Series B Convertible Bonds or Amended Series 008 Securities).

The Company will be making an application to the SGX-ST for the listing and quotation of the Warrants (2018-Securityholders) if the listing criteria (including but not limited to the public spread requirements) are met and any applicable regulatory approvals are obtained. The Company has made an application to the SGX-ST for the listing and quotation of the Warrant (2018-Securityholders) Shares arising from the Proposed Warrants (2018-Securityholders) Issue.

LETTER TO SHAREHOLDERS

The Company has applied for the listing and quotation of up to 452,500,000 Warrant (2018-Securityholders) Shares arising from the Proposed Warrants (2018-Securityholders) Issue. Please note that the approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Warrants (2018-Securityholders) Issue, the Warrants (2018-Securityholders), the Warrant (2018-Securityholders) Shares, the Company and/or its subsidiaries.

Each board lot of Warrants (2018-Securityholders) will consist of 100 Warrants (2018-Securityholders). In the event of an insufficient spread of holdings for the Warrants (2018-Securityholders) to provide for an orderly market in the trading of the Warrants (2018-Securityholders), the Warrants (2018-Securityholders) may not be listed and quoted on the Main Board of the SGX-ST. As a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. In the event that permission is not granted by the SGX-ST due to an insufficient spread of holdings for the Warrants (2018-Securityholders) to provide for an orderly market in the trading of the Warrants (2018-Securityholders), Warrant (2018-Securityholders) Holders will not be able to trade their Warrants (2018-Securityholders) on the SGX-ST but the Company shall nevertheless proceed with and complete the Proposed Warrants (2018-Securityholders) Issue.

Transfer

- : Subject to the provisions contained in the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll, the Warrants (2018-Securityholders) shall be transferable in lots entitling Warrants (2018-Securityholders) Holders to subscribe for whole numbers of Warrant (2018-Securityholders) Shares.

A Warrant (2018-Securityholders) which is not registered in the name of CDP may only be transferred in the manner prescribed in the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll including, amongst others, that a Warrants (2018-Securityholders) Holder whose Warrants (2018-Securityholders) are registered in the name of a person other than CDP (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

LETTER TO SHAREHOLDERS

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 Warrants (2018-Securityholders) 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 (2018-Securityholders) to CDP.

With respect to Warrants (2018-Securityholders) registered in the name of CDP, any transfer of such Warrants (2018-Securityholders) shall be effected subject to and in accordance with the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll, applicable law and the rules of CDP as amended from time to time and where the Warrants (2018-Securityholders) are to be transferred between Depositors, such Warrants (2018-Securityholders) must be transferred in the Depository Register by the CDP by way of book-entry.

The executors and administrators of a deceased Warrants (2018-Securityholders) Holder whose Warrants (2018-Securityholders) are registered otherwise than in the name of CDP (not being one of several joint holders) or, if the registered holder of the Warrants (2018-Securityholders) is CDP, of a deceased Depositor 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 (2018-Securityholders) and shall be entitled to be registered as a holder of the Warrants (2018-Securityholders) 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 the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll. Certain provisions in relation to the transfer of the Warrants (2018-Securityholders) specified in the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll

LETTER TO SHAREHOLDERS

shall apply mutatis mutandis to any transfer of the Warrants (2018-Securityholders) by such persons.

A Transferor or Depositor, as the case may be, shall be deemed to remain a Warrants (2018-Securityholders) Holder of the Warrants (2018-Securityholders) until the name of the transferee is entered in the warrant register by the Warrant Agent or in the Depository Register by CDP, as the case may be.

Adjustments

: The Warrants (2018-Securityholders) Exercise Price and the number of Warrants (2018-Securityholders) to be held by the Warrants (2018-Securityholders) Holders are subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Warrants (2018-Securityholders) as contained in the Warrants (2018-Securityholders) Deed Poll. Such circumstances relate to:

- (i) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves;
- (ii) a capital distribution made by the Company to Shareholders whether on a reduction of capital or otherwise;
- (iii) an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
- (iv) any consolidation, subdivision, reclassification or conversion of Shares.

Please refer to **Appendix C** to this Circular for the provisions which the Company will use to determine adjustments of the Warrants (2018-Securityholders) Exercise Price and the number of Warrants (2018-Securityholders).

Any additional Warrants (2018-Securityholders) issued pursuant to such adjustments shall rank *pari passu* with the Warrants (2018-Securityholders) issued under the Proposed Warrants (2018-Securityholders) Issue and will for all purposes form part of the same series.

LETTER TO SHAREHOLDERS

- Notice of Expiration** : The Company shall, not later than one (1) month before the Warrants (2018-Securityholders) Expiration Date, give notice to the Warrants (2018-Securityholders) Holders in accordance with the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll, of the Warrants (2018-Securityholders) Expiration Date. Additionally, the Company shall not later than one (1) month before the Warrants (2018-Securityholders) Expiration Date, take reasonable steps to notify the Warrants (2018-Securityholders) Holders in writing of the Warrants (2018-Securityholders) Expiration Date and such notice shall be delivered by post to the addresses of the Warrants (2018-Securityholders) Holders as recorded in the warrant register, or in the case of Warrants (2018-Securityholders) Holders whose Warrants (2018-Securityholders) 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.
- Alteration to Terms** : For so long as the rules of the SGX-ST so require, no material alteration to the terms of the Warrants (2018-Securityholders) after the issue thereof to the advantage of the Warrants (2018-Securityholders) Holders shall be made unless first approved by the Shareholders in general meeting, and, if necessary, the SGX-ST.
- Winding Up** : If prior to the expiry of the Warrants (2018-Securityholders), an effective resolution is passed 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 Warrants (2018-Securityholders) Holders by way of an extraordinary resolution, the terms of such scheme of arrangement shall be binding on all the Warrants (2018-Securityholders) Holders and all persons having an interest in the Warrants (2018-Securityholders).

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 Warrants (2018-Securityholders) Holder shall be entitled upon and subject to the terms and conditions of the Warrants (2018-Securityholders) Deed Poll, at any time within three (3) weeks after the passing of such resolution for a members' voluntary winding-up of

LETTER TO SHAREHOLDERS

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 the terms and conditions of the Warrants (2018-Securityholders) Deed Poll, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants (2018-Securityholders) 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 Warrants (2018-Securityholders) Holders in accordance with the terms and conditions of the Warrants (2018-Securityholders) Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants (2018-Securityholders) which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants (2018-Securityholders) shall cease to be valid for any purpose.

Further Issues : Subject to the terms and conditions of the Warrants (2018-Securityholders) as set out in the Warrants (2018-Securityholders) Deed Poll, 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 Warrants (2018-Securityholders) Holders 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.

Governing Law : Laws of the Republic of Singapore.

6.4 **Conditions for the Proposed Warrants (2018-Securityholders) Issue**

Shareholders should note that the Proposed Warrants (2018-Securityholders) Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 452,500,000 Warrants (2018-Securityholders) and up to 452,500,000 Warrant (2018-Securityholders) Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;

LETTER TO SHAREHOLDERS

- (b) the lodgement of the offer information statement, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Proposed Warrants (2018-Securityholders) Issue, with the Monetary Authority of Singapore; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

6.5 Adjustment and Modification

In compliance with Rules 829 and 830 of the Listing Manual, the Company will:

- (a) announce any adjustment made pursuant to the Warrants (2018-Securityholders) Exercise Price pursuant to Rule 829(1) of the Listing Manual;
- (b) announce the expiry of the Warrants (2018-Securityholders) and a notice of the expiry will be sent to the Warrants (2018-Securityholders) Holders at least one (1) month before the Warrants (2018-Securityholders) Expiration Date; and
- (c) obtain Shareholders' approval at a general meeting of the Shareholders for any material modification to the terms of the Warrants (2018-Securityholders) which is for the benefit of the Warrants (2018-Securityholders) Holders, unless such modification is made pursuant to the terms of the Warrants (2018-Securityholders).

6.6 Use of Proceeds

Assuming that the maximum number of 452,500,000 Warrants (2018-Securityholders) are issued by the Company and are exercised in full by the Series B Bondholders and the Amended Series 008 Securityholders at the Warrants (2018-Securityholders) Exercise Price of S\$0.2763 per Warrant (2018-Securityholders) Share, the Proposed Warrants (2018-Securityholders) Issue will raise approximately S\$125.0 million and the net proceeds of the Proposed Warrants (2018-Securityholders) Issue, after deducting estimated expenses of approximately S\$2.0 million, will amount to approximately S\$123.0 million. The Company expects to utilise the net proceeds from the Proposed Warrants (2018-Securityholders) Issue in the following manner:

- (a) approximately 80% to be used from time to time to pay for the principal, premium, interest, distribution, fees, expenses and any other payment arising from or in connection with the Refinancing Bonds or the Series 008 Securities; and
- (b) approximately 20% to be used from time to time for any other purposes, provided that no funds shall, in any event, be used for the payment (whether principal, premium, interest, fees, commissions or any other payment) arising from or in connection with any new or existing loans made to the Company or any of its subsidiaries or any direct vessel expenses.

LETTER TO SHAREHOLDERS

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of such proceeds as and when the funds are materially disbursed, as well as provide status reports on the use of such proceeds in the Company's annual reports until such time the proceeds have been fully utilised. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

6.7 Rules 804 and 812 of the Listing Manual

Under Rule 804 of the Listing Manual, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Listing Manual, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment.

In addition, Rules 812(1) and 812(2) of the Listing Manual provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (a) an issuer's directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;
- (c) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;
- (d) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10.0 per cent.; and
- (e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above.

Accordingly, the Warrants (2018-Securityholders) will not be issued to the Directors or Substantial Shareholders and/or any of their Associates or any persons that fall under Rule 812 of the Listing Manual. In accordance with Rule 803 of the Listing Manual, the Warrant (2018-Securityholders) Shares when issued will not transfer a controlling interest in the Company.

7. THE PROPOSED SERIES 008 SECURITIES CONVERSION SHARES ISSUE

7.1 Background

Pursuant to the terms of the Supplemental Trust Deeds and the approval obtained by the Company from the holders of the Series 008 Securities at the Securityholders' Meeting on 20 November 2017, the Company proposes to amend the terms and conditions of the Series 008 Securities by, *inter alia*, amending the Series 008 Securities to enable the Series 008 Securities

LETTER TO SHAREHOLDERS

to be convertible and adding an additional redemption option to the Series 008 Securities to provide that if the Series 008 Securities becomes so convertible, a holder of the Series 008 Securities may elect to require the Company to redeem the Series 008 Securities of such holder at the Refinancing Redemption Amount, payable entirely in the form of an equivalent principal amount of Series C Non-Convertible Bonds. As stated in the Company's announcement on 20 November 2017, holders of S\$30,500,000 in aggregate principal amount of the Series 008 Securities have elected to receive the Series C Non-Convertible Bonds and holders of S\$119,500,000 in aggregate principal amount of the Series 008 Securities have elected to continue to hold the Amended Series 008 Securities.

Consequently, the Company is seeking Shareholders' approval at the EGM to approve the Proposed Series 008 Securities Conversion Shares Issue for holders of the Series 008 Securities who have elected to hold the Amended Series 008 Securities. A summary of the terms and conditions of the Amended Series 008 Securities is set out in Section 7.2 of this Circular.

7.2 Summary of the Terms and Conditions of the Amended Series 008 Securities

The summary of the terms and conditions of Amended Series 008 Securities is as follows:

Issue : Series 008 subordinated perpetual securities issued under the Multicurrency Debt Issuance Programme

Status : The Amended Series 008 Securities constitute direct, unconditional, unsecured and subordinated obligations of the Company and will at all times rank *pari passu* and without any preference among themselves and with any parity obligations of the Company. The rights and claims of holders in respect of the Amended Series 008 Securities are subordinated, as provided in the terms and conditions of the Amended Series 008 Securities as set out in the Supplemental Trust Deeds.

Subject to applicable laws, in the event of the winding-up of the Company, the rights of the holders of the Amended Series 008 Securities to payment of principal of and distribution on the Amended Series 008 Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least *pari passu* with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Amended Series 008 Securities and in priority to the claims of Shareholders and/or as otherwise specified in the pricing supplement of the Amended Series 008 Securities.

Distribution : Subject to Shareholders' approval being obtained on or before 31 March 2018 for the Proposed Series 008

LETTER TO SHAREHOLDERS

Securities Conversion Shares Issue, the distribution rate shall be:

- (1) in respect of the period from, and including, the distribution commencement date (being 19 May 2017) to but excluding the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 November 2017) (the “**Distribution Payment Reset Date**”), 7.00% per annum;
- (2) in respect of the period from, and including, the Distribution Payment Reset Date (being 20 November 2017) to but excluding the Step-Up Date (being 20 November 2024), 0.25% per annum;
- (3) in respect of the period from, and including, the Step-Up Date and each reset date (to be reset every twelve months) falling thereafter to, but excluding the immediately following reset date (to be reset every twelve months), the Relevant Reset Distribution Rate (as defined below),

where “**Step-Up Date**” shall mean 20 November 2024, being the date that is seven (7) years after the Distribution Payment Reset Date and “**Relevant Reset Distribution Rate**” shall be 1.25% per annum with respect to the Step-Up Date and shall increase from the distribution rate applicable on the immediately preceding reset date (to be reset every twelve months) (or, in relation to the reset date (to be reset every twelve months) immediately after the Step-Up Date, the Step-Up Date) by 1.00% per annum on each immediately succeeding reset date (to be reset every twelve months) falling thereafter.

The amount of distribution payable with respect to each S\$50,000 in principal amount of the Amended Series 008 Securities on each Distribution Payment Date (as defined below) shall be the product of the distribution rate, S\$50,000 and the Day Count Fraction for the period from and including the immediately preceding Distribution Payment Date (or in relation to the first Distribution Payment Date after the Distribution Payment Reset Date, the Distribution Payment Reset Date) to but excluding such Distribution Payment Date.

LETTER TO SHAREHOLDERS

“**Distribution Payment Date**” shall mean the Distribution Payment Reset Date and the same day and month as, and the same day but six (6) calendar months after the month of, the Distribution Payment Reset Date, as the case may be.

The above distribution from and including 19 May 2017 to but excluding the date the first of the Extraordinary Resolution No. 1 of any Series of Securities is passed and any arrears of distribution (and any additional distribution amount) will be issued in the form of Distribution Notes (if Securityholders elect to receive Series C Non-Convertible Bonds) and Series 008 Securities Conversion Shares (if Securityholders elect to continue to hold the Amended Series 008 Securities), within 30 days from the date of the EGM (being 27 April 2018).

The Amended Series 008 Securities will cease to bear distributions where the conversion right attached to it shall have been exercised, from and including the Distribution Payment Date last preceding its conversion date (or if such conversion date falls on or before the first Distribution Payment Date, the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 20 November 2017)) subject to conversion of the relevant Amended Series 008 Securities.

- Conversion Right** : Subject to certain conditions, each Amended Series 008 Securityholder will have the right during the conversion period to convert its Amended Series 008 Securities into Series 008 Securities Conversion Shares. A conversion right may only be exercised in respect of Amended Series 008 Securities in a minimum denomination of S\$50,000 and integral multiples of S\$50,000 in excess thereof.
- Conversion Period** : Subject to certain closed conversion periods, up to the close of business on the date that is four (4) years from the date the first of any of the Extraordinary Resolution No. 1 of any Series of Securities is passed (being 19 November 2021) (the “**Series 008 Securities Expiration Date**”) or, if such Amended Series 008 Securities have been called for redemption prior to the Series 008 Securities Expiration Date, then up to the close of business on a date no later than seven (7) Business Days prior to the date fixed for redemption thereof.

LETTER TO SHAREHOLDERS

Conversion Price : The Series 008 Securities Conversion Price of the Amended Series 008 Securities will initially be S\$0.2763 per Series 008 Securities Conversion Share (which represents a 10.0% discount to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017), subject to adjustment in accordance with the terms and conditions of the Amended Series 008 Securities (the initial Series 008 Securities Conversion Price as so adjusted from time to time, the “**Series 008 Securities Minimum Conversion Price**”).

However, solely where the conversion right is exercised on or prior to 60 days after the effective date of the amendments to the Series 008 Securities, the Series 008 Securities Conversion Price shall be S\$0.2487 per Series 008 Securities Conversion Share (which represents a 10% discount to the Series 008 Securities Minimum Conversion Price) (the “**Series 008 Securities Discounted Conversion Price**”).

The Series 008 Securities Conversion Price shall be reset every six (6) months (each, a “**Series 008 Securities Conversion Price Reset Date**”) by the Company beginning on the effective date of the amendments to the Series 008 Securities to a price that represents the six-month VWAP of the Shares prior to each Series 008 Securities Conversion Price Reset Date, rounded down to the nearest S\$0.0001, provided that if such a price is lower than the Series 008 Securities Minimum Conversion Price, the Series 008 Securities Conversion Price shall be the Series 008 Securities Minimum Conversion Price.

Adjustments : The Series 008 Securities Conversion Price is subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Amended Series 008 Securities as contained in the Supplemental Trust Deeds. Such circumstances relate to, *inter alia*:

- (i) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves;
- (ii) a capital distribution made by the Company to Shareholders;

LETTER TO SHAREHOLDERS

- (iii) issue by the Company of Shares by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
- (iv) any consolidation, subdivision or reclassification of Shares.

Please refer to **Appendix D** to this Circular for the provisions which the Company will use to determine adjustments to the Series 008 Securities Conversion Price.

Warrants (2018-Securityholders)

- : If an Amended Series 008 Securityholder exercises its conversion right with respect to S\$50,000 in principal amount of Amended Series 008 Securities and each S\$50,000 in principal amount in excess thereof on or prior to the date that is 60 days after the effective date of the amendments to the Series 008 Securities, the Company shall, at the same time that it delivers the Series 008 Securities Conversion Shares to be issued upon the exercise of such conversion right, also issue to such Amended Series 008 Securityholder 50,000 Warrants (2018-Securityholders) for every S\$50,000 in principal amount of Amended Series 008 Securities so converted. If such conversion occurs after 60 days but on or prior to the date that is six (6) months after such effective date, the Company will issue 25,000 Warrants (2018-Securityholders) for every S\$50,000 principal amount of Amended Series 008 Securities so converted. Please refer to Section 6 of this Circular for further information on the Warrants (2018-Securityholders).

For the avoidance of doubt, an Amended Series 008 Securityholder who exercises its conversion right after such periods will not be eligible to receive any Warrants (2018-Securityholders).

The Warrants (2018-Securityholders) will be issued free.

Transfer

- : One or more of the Amended Series 008 Securities may be transferred upon the surrender (at the specified office of the registrar or any other transfer agent) of the certificate representing such Amended Series 008 Securities to be transferred, together with the form of transfer endorsed on such certificate, (or another form of transfer substantially in the same form and containing the

LETTER TO SHAREHOLDERS

same representations and certifications (if any), unless otherwise agreed by the Company), duly completed and executed and any other evidence as the registrar or such other transfer agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Amended Series 008 Securities represented by one certificate, a new certificate shall be issued to the transferee in respect of the part transferred and a further new certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Amended Series 008 Securities and entries on the register will be made subject to the detailed regulations concerning transfers of Amended Series 008 Securities scheduled to the agency agreement for the Amended Series 008 Securities. The regulations may be changed by the Company, with the prior written approval of the registrar and DBS Trustee.

No Fixed Redemption Date : There will be no fixed redemption date for the Amended Series 008 Securities.

Redemption at the Option of the Company : The Company may, having given not less than 30 nor more than 60 days' notice to the holders of the Amended Series 008 Securities (which notice shall be irrevocable) redeem all, and not some only, of the Amended Series 008 Securities at 100.0% of their principal amount on any optional redemption date.

The first optional redemption date shall be the Step-Up Date and the subsequent optional redemption dates shall be each Distribution Payment Date occurring after the first optional redemption date.

Redemption For Taxation Reasons : At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Amended Series 008 Securityholders (which notice shall be irrevocable) redeem all, and not some only, of the Amended Series 008 Securities at 100.0% of their principal amount, if as a result of certain events the Company has or will become obliged to pay additional amounts pursuant to deduction or withholding for any taxes, and such obligation will apply on the occasion of the next payment due in respect of the Amended Series 008 Securities and cannot be avoided by the Company taking reasonable measures available to it.

LETTER TO SHAREHOLDERS

- Redemption For Accounting Reasons** : At any time the Company may, having given not less than 30 nor more than 60 days' notice to the holders of the Amended Series 008 Securities (which notice shall be irrevocable) redeem all, and not some only, of the Amended Series 008 Securities at 100.0% of their principal amount if, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council as amended from time to time ("**SFRS**") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Company as amended from time to time (the "**Relevant Accounting Standards**"), the Amended Series 008 Securities must not or must no longer be recorded as "equity" of the Company pursuant to the Relevant Accounting Standards.
- Redemption For Tax Deductibility Reasons** : At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Amended Series 008 Securityholders (which notice shall be irrevocable) redeem all, and not some only, of the Amended Series 008 Securities at 100.0% of their principal amount, if the Company satisfies DBS Trustee immediately before giving such notice that, as a result of certain events, payments by the Company would no longer, or within 90 days of the date of an opinion of the Company's independent tax or legal advisers stating as such, would not be fully deductible by the Company for Singapore income tax purposes.
- Redemption At The Option Of The Amended Series 008 Securityholders For Delisting** : If the Shares cease to be listed or admitted to trading on the SGX-ST, the Company shall, at the option of the Amended Series 008 Securityholders, redeem such Amended Series 008 Securities at 100.0% of their principal amount on the date falling 30 days after the Shares cease to be listed or admitted to trading.
- Form And Denomination Of The Amended Series 008 Securities** : The Amended Series 008 Securities are issued in registered form in the denomination of S\$50,000 and integral multiples of S\$50,000 in excess thereof.
- Further Issues** : The Company may from time to time without the consent of the Amended Series 008 Securityholders create and issue further securities having the same terms and conditions as the Amended Series 008 Securities in all respects (other than in relation to the issue date or the issue price) so that such further issues shall be consolidated and form a single series with the outstanding

LETTER TO SHAREHOLDERS

Amended Series 008 Securities but the Amended Series 008 Securityholders 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.

- Notice of Expiration** : The Company shall, not later than one (1) month before the Series 008 Securities Expiration Date (being the expiry date of the conversion period to convert the Amended Series 008 Securities into Series 008 Securities Conversion Shares) announce the Series 008 Securities Expiration Date on the SGXNET and take reasonable steps to notify the Amended Series 008 Securityholders in writing of the Series 008 Securities Expiration Date and such notice shall be delivered by post to the addresses of the Amended Series 008 Securityholders.
- Alteration to Terms** : To the extent required by the SGX-ST from time to time, any material modification to the terms of the Amended Series 008 Securities which is for the benefit of the Amended Series 008 Securityholders but is materially prejudicial to the interests of Shareholders shall not be effected without the prior approval of the Shareholders at a general meeting of the Shareholders, unless such modification is made pursuant to the terms of the Amended Series 008 Securities.
- Rights on Liquidation of the Company** : The Amended Series 008 Securities constitute direct, unconditional, unsecured and subordinated obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves and with any parity obligations of the Company. The rights and claims of the Amended Series 008 Securityholders in respect of the Amended Series 008 Securities are subordinated.

Subject to the insolvency laws of the jurisdiction of incorporation of the Company and other applicable laws, in the event of the Winding-Up of the Company, the rights of the Amended Series 008 Securityholders to payment of principal of and distribution on the Amended Series 008 Securities and the coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the issuer but at least *pari passu* with all other subordinated obligations of the issuer that are not expressed by their terms to rank junior to the Amended Series 008 Securities and in priority to the claims of shareholders of the issuer and/or as otherwise specified in the applicable pricing

LETTER TO SHAREHOLDERS

supplement or in a supplement to the information memorandum.

Subject to applicable law, no Amended Series 008 Securityholder may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Company in respect of, or arising under or in connection with the Amended Series 008 Securities, and each Amended Series 008 Securityholder shall, by virtue of his holding of any Amended Series 008 Securities, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any Amended Series 008 Securityholder by the Company in respect of, or arising under or in connection with the Amended Series 008 Securities is discharged by set-off, such Amended Series 008 Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Company (or, in the event of its Winding-Up or administration, the liquidator or, as appropriate, administrator of the Company) and, until such time as payment is made, shall hold such amount in trust for the Company (or the liquidator or, as appropriate, administrator of the Company) and accordingly any such discharge shall be deemed not to have taken place.

- Governing Law** : Laws of the Republic of Singapore.
- Listing** : The Amended Series 008 Securities are listed on the SGX-ST and will be traded on the SGX-ST in a minimum board lot size of S\$200,000 for so long as the Amended Series 008 Securities are listed on the SGX-ST. An application has been made for the listing of the Series 008 Securities Conversion Shares issuable upon conversion of the Amended Series 008 Securities to be listed on the SGX-ST.
- Clearance and Settlement** : The Amended Series 008 Securities will be represented by one or more global certificates, each deposited on or about the relevant issue date with, and registered in the name of, CDP.

7.3 Series 008 Securities Conversion Shares

The number of Series 008 Securities Conversion Shares to be issued on conversion of the Amended Series 008 Securities will be determined by dividing the principal amount of the Amended Series 008 Securities to be converted by the Series 008 Securities Conversion Price

LETTER TO SHAREHOLDERS

in effect at the conversion date in respect of the Amended Series 008 Securities (the “**Series 008 Securities Conversion Date**”). Following conversion in accordance with the terms and conditions of the Amended Series 008 Securities, the rights of the converting Amended Series 008 Securityholders in respect of such Amended Series 008 Securities shall be extinguished and released, and in consideration and in exchange therefor, the Company shall allot and issue the Series 008 Securities Conversion Shares credited as paid-up in full. The conversion right may only be exercised in respect of Amended Series 008 Securities in a minimum denomination of S\$50,000 and integral multiples of S\$50,000 in excess thereof. In relation to any of the Amended Series 008 Securities held by a holder of the Amended Series 008 Securities that are being converted at any one time by the same holder of the Amended Series 008 Securities, the number of Series 008 Securities Conversion Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Amended Series 008 Securities to be converted. Fractions of Series 008 Securities Conversion Shares will not be issued on conversion and no cash adjustments will be made in respect thereof.

The Series 008 Securities Conversion Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant conversion date in respect of the Amended Series 008 Securities and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares. Amended Series 008 Securities which are duly converted will be cancelled on the relevant Registration Date.

Assuming that the conversion right in respect of S\$119,500,000 in aggregate principal amount of Amended Series 008 Securities is fully exercised on or prior to 60 days after the effective date of the amendments to the Series 008 Securities at the Series 008 Securities Discounted Conversion Price of S\$0.2487 per Series 008 Securities Conversion Share, 480,498,592 Series 008 Securities Conversion Shares will be issued, representing approximately 23.2% of the Existing Share Capital as at the Latest Practicable Date, and approximately 7.7%% of the Enlarged Issued Share Capital of the Company.

7.4 **Conditions for the Proposed Series 008 Securities Conversion Shares Issue**

Shareholders should note that the Proposed Series 008 Securities Conversion Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of approval in principle from the SGX-ST for the listing of the Series A Non-Convertible Bonds, the Series B Convertible Bonds and the Series C Non-Convertible Bonds on the SGX-ST;
- (b) the receipt of approval in principle from the SGX-ST for the listing and quotation of the Interest Shares, the Securityholders Consent Shares, the Series 008 Securities Conversion Shares, the Series B Conversion Shares, the Warrant (2018-Securityholders) Shares, the Warrant (2018-Shareholders) Shares, the Warrant (2018-Secured Lenders) Shares, the Warrant (Unsecured Lenders) Shares, the Private Subscriber Option Shares and the Professional Fees Shares in each case on the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

LETTER TO SHAREHOLDERS

8. THE PROPOSED INTEREST SHARES ISSUE

8.1 Background

Pursuant to the terms of the Supplemental Trust Deeds and the approval obtained by the Company from the Securityholders at the Securityholders' Meeting on 20 November 2017, the interest with respect to the Accrued Interest on the relevant Series of Securities (other than the Series 008 Securities) and the distribution on the Series 008 Securities are payable by the Company in the form of:

- (a) Interest Notes (if Securityholders (other than holders of the Series 008 Securities) elect to receive Series A Non-Convertible Bonds);
- (b) Distribution Notes (if holders of the Series 008 Securities elect to receive the Series C Non-Convertible Bonds); or
- (c) Interest Shares (if Securityholders (other than holders of the Series 008 Securities) are receiving Series B Convertible Bonds and holders of the Series 008 Securities continue to hold the Amended Series 008 Securities),

within 30 days from the date of the EGM (being 27 April 2018).

As announced by the Company on 7 February 2018, the Company proposes to issue up to 38,113,207 Interest Shares to (i) Securityholders (other than holders of the Series 008 Securities) who have elected to receive S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds; and (ii) holders of the Series 008 Securities who have elected to continue to hold S\$119,500,000 in aggregate principal amount of Amended Series 008 Securities in lieu of the Accrued Interest, at the issue price of S\$0.2763 per Interest Share (the "**Proposed Interest Shares Issue**").

The offer of Interest Shares by the Company is made in accordance with section 273(ce) of the SFA. As such no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore.

8.2 Accrual of interest or distribution

The following table shows the breakdown of the Accrued Interest, assuming the Ordinary Resolution 1 is passed on or prior to 31 March 2018. The amounts set out in the table representing the Accrued Interest and distribution are computed based on S\$250,000 in principal value of the relevant Securities.

From and Including	To But Excluding	Interest or Distribution if Ordinary Resolution 1 Is Approved
Interest payment date or distribution payment date immediately preceding the date of the	20 November 2017	Interest or distribution accrues at prevailing original rate of interest or distribution rate, and will amount to:

LETTER TO SHAREHOLDERS

<p>Securityholders' Meeting⁽¹⁾</p>		<ul style="list-style-type: none"> • Series 003 Securities – S\$5,859 (4.7% per annum and Day Count Fraction of 182/365); • Series 004 Securities – S\$2,899 (4.6% per annum and Day Count Fraction of 92/365); • Series 005 Securities – S\$3,986 (4.85% per annum and Day Count Fraction of 120/365); • Series 006 Securities – S\$2,375 (5.1% per annum and Day Count Fraction of 68/365); • Series 007 Securities – S\$5,409 (4.875% per annum and Day Count Fraction of 162/365); • Amended Series 008 Securities – S\$8,871 (7.0% per annum and Day Count Fraction of 185/365). <p>Such Accrued Interest will be payable in the form of:</p> <ul style="list-style-type: none"> • if a Securityholder elects to receive the Series A Non-Convertible Bonds or the Series C Non-Convertible Bonds, an Interest Note or a Distribution Note with a maturity date of seven (7) years or 10 years, respectively, from 20 November 2017. The Interest Note and the Distribution Note, as the case may be, will be issued within 30 days from the date of EGM and will be in a principal amount equal to the accrued interest or distribution illustrated above; and • if a Securityholder elects to receive the Series B Convertible Bonds or Amended Series 008 Securities, <ul style="list-style-type: none"> - Series 003 Securities – 21,205 Interest Shares; - Series 004 Securities – 10,492 Interest Shares;
---	--	---

LETTER TO SHAREHOLDERS

		<ul style="list-style-type: none"> - Series 005 Securities – 14,426 Interest Shares; - Series 006 Securities – 8,595 Interest Shares; - Series 007 Securities – 19,576 Interest Shares; - Amended Series 008 Securities – 32,106 Interest Shares, <p>in each case calculated by dividing the accrued interest or distribution illustrated above by the conversion price of S\$0.2763.</p> <p>The Interest Shares will be issued within 30 days from the date of EGM.</p>
--	--	--

Note:

- (1) The relevant interest payment date or distribution payment date for the Securities are as follows:
- (a) Series 003 Securities: 22 May 2017
 - (b) Series 004 Securities: 20 August 2017
 - (c) Series 005 Securities: 23 July 2017
 - (d) Series 006 Securities: 13 September 2017
 - (e) Series 007 Securities: 11 June 2017; and
 - (f) Amended Series 008 Securities: 19 May 2017.

8.3 Interest Shares

Assuming that (i) the estimated amount of interest or distribution is accrued from and including the interest payment date or distribution payment date immediately preceding 20 November 2017, being the date of the Securityholders' Meeting, to but excluding 20 November 2017; and (ii) the Interest Shares are issued at the issue price of S\$0.2763 per Interest Share, up to 38,113,207 Interest Shares will be issued by the Company to Securityholders (other than holders of the Series 008 Securities) who have elected to receive S\$333,000,000 in aggregate principal amount of Series B Convertible Bonds; and holders of the Series 008 Securities who have elected to continue to hold S\$119,500,000 in aggregate principal amount of Amended Series 008 Securities, representing approximately 1.8% of the Existing Share Capital as at the Latest Practicable Date, and approximately 0.6% of the Enlarged Issued Share Capital of the Company.

The Interest Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Interest Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares.

LETTER TO SHAREHOLDERS

8.4 Conditions for the Proposed Interest Shares Issue

Shareholders should note that the Proposed Interest Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 38,113,207 Interest Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

9. THE PROPOSED SECURITYHOLDERS CONSENT SHARES ISSUE

9.1 Background

As announced by the Company on 7 February 2018, the Company proposes to issue 11,442,000 Securityholders Consent Shares to the Securityholders who submitted or delivered voting instructions voting in favour of the Extraordinary Resolutions in relation to such Series of Securities on or prior to 15 November 2017 to the Meeting Agent, and do not subsequently revoke or amend such instructions, at the issue price of S\$0.2763 per Securityholders Consent Share (the "**Proposed Securityholders Consent Shares Issue**").

9.2 Securityholders Consent Shares

The Company proposes to issue 6,000 Securityholders Consent Shares for every S\$250,000 in principal amount of the relevant Series of Securities which they voted on at the Securityholders' Meeting. The Securityholders Consent Shares will be issued free of charge to the relevant Securityholders. The Company will be accounting for the Securityholders Consent Shares in the Company's issued share capital on the basis of S\$0.2763 per Securityholders Consent Share.

Pursuant to the terms of the Consent Solicitation Statement, if a Securityholder who is entitled to the Securityholders Consent Shares elects to receive Series A Non-Convertible Bonds or Series C Non-Convertible Bonds, such Securityholder shall be deemed to have instructed the Company to sell, and the Company may make arrangements (in its discretion) for the sale of, such number of Securityholders Consent Shares such Securityholder would be entitled to, and the proceeds of such sale (after deduction of any applicable brokerage fees and applicable taxes) shall be paid to such Securityholder.

An aggregate of 11,442,000 Securityholders Consent Shares will be issued by the Company to the entitled Securityholders, representing approximately 0.6% of the Existing Share Capital as at the Latest Practicable Date, and approximately 0.2% of the Enlarged Issued Share Capital of the Company.

The Securityholders Consent Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable

LETTER TO SHAREHOLDERS

and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Securityholders Consent Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares.

The offer of Securityholders Consent Shares by the Company is made in accordance with section 273(ce) of the SFA. As such no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore.

9.3 **Conditions for the Proposed Securityholders Consent Shares Issue**

Shareholders should note that the Proposed Securityholders Consent Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of 11,442,000 Securityholders Consent Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

10. **THE PROPOSED WARRANTS (2018-SECURED LENDERS) ISSUE**

10.1 **Background**

On 7 February 2018, the Company announced that it is proposing an issue of up to 171,000,000 free non-listed warrants (the "**Warrants (2018-Secured Lenders)**") to the Secured Lenders, with each Warrant (2018-Secured Lenders) carrying the right to subscribe for one (1) new Share ("**Warrant (2018-Secured Lenders) Share**") at the Warrants (2018-Secured Lenders) Exercise Price (the "**Proposed Warrants (2018-Secured Lenders) Issue**").

As announced on 7 February 2018, the Company has entered into binding refinancing term sheets (subject to definitive documentation to be entered into) with the Secured Lenders in relation to all loans under existing facilities that have been extended by the Secured Lenders. The Secured Lenders would be extending further support to the Company by way of the RCF which would provide financing for working capital of the Company.

An offer information statement for the Warrants (2018-Shareholders), Warrants (2018-Securityholders), Warrants (2018-Secured Lenders) and Warrants (2018-Unsecured Lenders) will be lodged with the Monetary Authority of Singapore in due course.

10.2 **Size of the Proposed Warrants (2018-Secured Lenders) Issue**

The Company proposes to issue one (1) Warrant (2018-Secured Lenders) for every S\$1 of the limit of the RCF granted by each of the Secured Lenders. The Secured Lenders are granting an aggregate RCF amount of up to US\$118,232,732 (equivalent to up to S\$171,000,000 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016). An aggregate number of up to 171,000,000 Warrants (2018-Secured Lenders) is proposed to be issued to the Secured Lenders.

LETTER TO SHAREHOLDERS

10.3 Principal Terms of the Proposed Warrants (2018-Secured Lenders) Issue

The principal terms and conditions of the Warrants (2018-Secured Lenders), to be constituted by the deed poll to be executed by the Company (the “**Warrants (2018-Secured Lenders) Deed Poll**”), are summarised as follows:

Number of Warrants (2018-Secured Lenders)	: Up to 171,000,000 non-listed Warrants (2018-Secured Lenders).
Basis of Allotment	: One Warrant (2018-Secured Lenders) for every S\$1 of the limit of the RCF granted by the Secured Lender.
Issue Price	: The Warrants (2018-Secured Lenders) will be issued free.
Exercise Price	: The price at which the Warrant (2018-Secured Lenders) Shares will be issued upon exercise (the “ Warrant (2018-Secured Lenders) Exercise Price ”) of the Warrant (2018-Secured Lenders) Shares will be S\$0.2763 per Warrant (2018-Secured Lenders) Share (which represents a 10.0% discount to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017), subject to adjustment in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) (the initial Warrants (2018-Secured Lenders) Exercise Price as so adjusted from time to time, the “ Warrants (2018-Secured Lenders) Non-Discounted Exercise Price ”).

However, solely where the conversion right is exercised on or prior to 60 days after the issue date, the Warrants (2018-Secured Lenders) Exercise Price shall be S\$0.2487 per Warrant (2018-Secured Lenders) Share (which represents a 10.0 per cent. discount to the Warrants (2018-Secured Lenders) Non-Discounted Exercise Price) (the “**Warrants (2018-Secured Lenders) Discounted Exercise Price**”).

The Warrants (2018-Secured Lenders) Exercise Price shall be paid only by decreasing the amount of outstanding principal amount of the RCF or TLF granted by the Secured Lender (“**Outstanding Secured Lender Loan**”) at the relevant exercise date by an amount equal to the aggregate Warrants (2018-Secured Lenders) Exercise Price; in the event that there no longer remains any Outstanding Secured Lender Loan at the time of exercise of the Warrants (2018-Secured Lenders), the

LETTER TO SHAREHOLDERS

Secured Lender shall pay the Warrants (2018-Secured Lenders) Exercise Price in cash. The Warrants (2018-Secured Lenders) shall be exercisable in tranches with a minimum aggregate Warrants (2018-Secured Lenders) Exercise Price of US\$50,000.

- Exercise Period** : The period commencing on and including the date of issuance of the Warrants (2018-Secured Lenders) and expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of issuance of the Warrants (2018-Secured Lenders), provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the **“Warrants (2018-Secured Lenders) Expiration Date”**.
- Exercise Rights** : Subject to the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll, each Warrant (2018-Secured Lenders) entitles the holder of the Warrants (2018-Secured Lenders) (the **“Warrant (2018-Secured Lenders) Holders”**) to subscribe for one (1) Warrant (2018-Secured Lenders) Share at the Warrants (2018-Secured Lenders) Exercise Price at any time during the Warrants (2018-Secured Lenders) Exercise Period.
- Number and Status of Warrant (2018-Secured Lenders) Shares** : The Company proposes to issue one (1) Warrant (2018-Secured Lenders) for every S\$1 of the limit of the RCF granted by each of the Secured Lenders. The Secured Lenders are granting an aggregate RCF amount of up to US\$118,232,732 (equivalent to up to S\$171,000,000 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016). An aggregate number of up to 171,000,000 Warrants (2018-Secured Lenders) is proposed to be issued by the Company to the Secured Lenders. The 171,000,000 Warrant (2018-Secured Lenders) Shares represent approximately 8.2% of the Existing Share Capital as at the Latest Practicable Date and approximately 2.8% of the Enlarged Issued Share Capital of the Company.

The Warrant (2018-Secured Lenders) Shares will upon issue and allotment, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Secured Lenders) and, subject as aforesaid, shall rank *pari passu* in all respects with the then existing Shares.

LETTER TO SHAREHOLDERS

Listing of the Warrants (2018-Secured Lenders) and the Warrant (2018-Secured Lenders) Shares : The Warrants (2018-Secured Lenders) will not be listed on the Main Board of the SGX-ST.

The Company has applied for the listing and quotation of up to 171,000,000 Warrant (2018-Secured Lenders) Shares arising from the Proposed Warrants (2018-Secured Lenders) Issue. Please note that the approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Warrants (2018-Secured Lenders) Issue, the Warrants (2018-Secured Lenders), the Warrant (2018-Secured Lenders) Shares, the Company and/or its subsidiaries.

Transfer : Subject to the provisions contained in the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll, the Warrants (2018-Secured Lenders) shall be transferable in lots entitling Warrants (2018-Secured Lenders) Holders to subscribe for whole numbers of Warrant (2018-Secured Lenders) Shares.

A Warrant (2018-Secured Lenders) may only be transferred in the manner prescribed in the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll including, amongst others, that a Warrants (2018-Secured Lenders) Holder (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 Warrants (2018-Secured Lenders) Deed Poll.

The executors and administrators of a deceased Warrants (2018-Secured Lenders) Holder (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 (2018-Secured Lenders) and shall be entitled to be registered as a holder of the Warrants (2018-Secured Lenders) upon the production by such persons to the

LETTER TO SHAREHOLDERS

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 the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll. Certain provisions in relation to the transfer of the Warrants (2018-Secured Lenders) specified in the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll shall apply mutatis mutandis to any transfer of the Warrants (2018-Secured Lenders) by such persons.

A Transferor shall be deemed to remain a Warrants (2018-Secured Lenders) Holder until the name of the transferee is entered in the warrant register by the Warrant Agent.

Adjustments

: The Warrants (2018-Secured Lenders) Exercise Price and the number of Warrants (2018-Secured Lenders) to be held by the Warrant (2018-Secured Lenders) Holders are subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Warrants (2018-Secured Lenders) as contained in the Warrants (2018-Secured Lenders) Deed Poll. Such circumstances relate to:

- (i) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves;
- (ii) a capital distribution made by the Company to Shareholders whether on a reduction of capital or otherwise;
- (iii) an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
- (iv) any consolidation, subdivision, reclassification or conversion of Shares.

Please refer to **Appendix E** to this Circular for the provisions which the Company will use to determine

LETTER TO SHAREHOLDERS

adjustments of the Warrants (2018-Secured Lenders) Exercise Price and the number of Warrants (2018-Secured Lenders).

Any additional Warrants (2018-Secured Lenders) issued pursuant to such adjustments shall rank *pari passu* with the Warrants (2018-Secured Lenders) issued under the Proposed Warrants (2018-Secured Lenders) Issue and will for all purposes form part of the same series.

- Notice of Expiration** : The Company shall, not later than one (1) month before the Warrants (2018-Secured Lenders) Expiration Date, give notice to the Warrant (2018-Secured Lenders) Holders of the Warrants (2018-Secured Lenders) Expiration Date in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll. Additionally, the Company shall not later than one (1) month before the Warrants (2018-Secured Lenders) Expiration Date, take reasonable steps to notify Warrant (2018-Secured Lenders) Holders in writing of the Warrants (2018-Secured Lenders) Expiration Date and such notice shall be delivered by post to the addresses of the Secured Lenders as recorded in the warrant register.
- Alteration to Terms** : No material alteration to the terms of the Warrants (2018-Secured Lenders) after the issue thereof to the advantage of Warrant (2018-Secured Lenders) Holders shall be made, unless the alterations are made pursuant to the terms and conditions of the Warrants (2018-Secured Lenders) or the prior approval of the Shareholders in general meeting has been sought.
- Winding Up** : If prior to the expiry of the Warrants (2018-Secured Lenders), an effective resolution is passed 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 Warrant (2018-Secured Lenders) Holders by way of an extraordinary resolution, the terms of such scheme of arrangement shall be binding on all the Warrant (2018-Secured Lenders) Holders and all persons having an interest in the Warrants (2018-Secured Lenders).

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 Warrant (2018-Secured Lenders) Holder

LETTER TO SHAREHOLDERS

shall be entitled upon and subject to the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll, at any time within three (3) 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 the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants (2018-Secured Lenders) 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 Warrant (2018-Secured Lenders) Holders in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants (2018-Secured Lenders) which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants (2018-Secured Lenders) shall cease to be valid for any purpose.

Further Issues

: Subject to the terms and conditions of the Warrants (2018-Secured Lenders) as set out in the Warrants (2018-Secured Lenders) Deed Poll, 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 Warrant (2018-Secured Lenders) Holders 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.

Governing Law

: Laws of the Republic of Singapore.

LETTER TO SHAREHOLDERS

10.4 Conditions for the Proposed Warrants (2018-Secured Lenders) Issue

Shareholders should note that the Proposed Warrants (2018-Secured Lenders) Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 171,000,000 Warrant (2018-Secured Lenders) Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (b) the lodgement of the offer information statement, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Proposed Warrants (2018-Secured Lenders) Issue, with the Monetary Authority of Singapore; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

10.5 Adjustment and Modification

In compliance with Rules 829 and 830 of the Listing Manual, the Company will:

- (a) announce any adjustment made pursuant to the Warrants (2018-Secured Lenders) Exercise Price pursuant to Rule 829(1) of the Listing Manual;
- (b) announce the expiry of the Warrants (2018-Secured Lenders) and a notice of the expiry will be sent to the Warrant (2018-Secured Lenders) Holders at least one (1) month before the Warrants (2018-Secured Lenders) Expiration Date; and
- (c) obtain Shareholders' approval at a general meeting of the Shareholders for any material modification to the terms of the Warrants (2018-Secured Lenders) which is for the benefit of the Warrant (2018-Secured Lenders) Holders, unless such modification is made pursuant to the terms of the Warrants (2018-Secured Lenders).

10.6 Rules 804 and 812 of the Listing Manual

Under Rule 804 of the Listing Manual, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Listing Manual, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment.

In addition, Rules 812(1) and 812(2) of the Listing Manual provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (a) an issuer's directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;

LETTER TO SHAREHOLDERS

- (c) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;
- (d) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10.0 per cent.; and
- (e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above.

The Secured Lenders are each not a Substantial Shareholder and/or an Associate of a Substantial Shareholder or any persons that fall under Rule 812 of the Listing Manual. In accordance with Rule 803 of the Listing Manual, the Warrant (2018-Secured Lenders) Shares when issued will not transfer a controlling interest in the Company.

10.7 Use of Proceeds

Assuming that all of the 171,000,000 Warrants (2018-Secured Lenders) issued are exercised in full at the Warrants (2018-Secured Lenders) Non-Discounted Exercise Price of S\$0.2763 per Warrant (2018-Secured Lenders) Share and such exercise price is paid by way of cash, the Proposed Warrants (2018-Secured Lenders) Issue will raise approximately S\$47.2 million over the Warrants (2018-Secured Lenders) Exercise Period of 60 months and the net proceeds of the Proposed Warrants (2018-Secured Lenders) Issue, after deducting estimated expenses of approximately S\$100,000, will amount to approximately S\$47.1 million. The Company expects to utilise the net proceeds from the Secured Lenders relating to the Proposed Warrants (2018-Secured Lenders) Issue in the following manner:

- (a) 100% to be used for the payment (whether principal, premium, interest, fees, commissions or any other payment) arising from or in connection with any new or existing loans made to the Company or any of its subsidiaries by the Secured Lenders.

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of such proceeds as and when the funds are materially disbursed, as well as provide status reports on the use of such proceeds in the Company's annual reports until such time the proceeds have been fully utilised. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

11. THE PROPOSED TLF CONSENT SHARES ISSUE

11.1 Background

As announced by the Company on 7 February 2018, the Company proposes to issue up to 65,083,500 TLF Consent Shares to the Secured Lenders in return for their refinancing of the existing facilities (the "**Proposed TLF Consent Shares Issue**"). The TLF Consent Shares will

LETTER TO SHAREHOLDERS

be issued and allotted within five (5) Business Days from the date of signing of the facility agreements with the Secured Lenders or any other day as may be agreed between the Company and the Secured Lenders.

As part of the Refinancing Exercise, the Company will also be paying certain facility fees and upside sharing fees (conditional upon the Company achieving certain financial performance) to the Secured Lenders.

11.2 TLF Consent Shares

The Company proposes to issue 7,500 TLF Consent Shares for every S\$250,000 of existing facilities refinanced via the TLF and such number of TLF Consent Shares shall be pro-rated for amounts below S\$250,000. The aggregate amount of existing facilities refinanced via the TLF is up to US\$1,500,000,000 (equivalent to S\$2,169,450,000 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016). An aggregate of up to 65,083,500 TLF Consent Shares will be issued by the Company to the Secured Lenders, representing approximately 3.1% of the Existing Share Capital as at the Latest Practicable Date, and approximately 1.0% of the Enlarged Issued Share Capital of the Company. The TLF Consent Shares will be issued free of charge to the Secured Lenders. The Company will be accounting for the TLF Consent Shares in the Company's issued share capital on the basis of S\$0.2763 per TLF Consent Share.

The TLF Consent Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the TLF Consent Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares.

The offer of TLF Consent Shares by the Company is made by way of private placement in accordance with section 272B of the SFA. As such no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore.

11.3 Conditions for the Proposed TLF Consent Shares Issue

Shareholders should note that the Proposed TLF Consent Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 65,083,500 TLF Consent Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

LETTER TO SHAREHOLDERS

12. THE PROPOSED WARRANTS (2018-UNSECURED LENDERS) ISSUE

12.1 Background

On 7 February 2018, the Company announced that it is proposing an issue of up to 94,221,498 free non-listed warrants (the “**Warrants (2018-Unsecured Lenders)**”) to the Unsecured Lenders, with each Warrant (2018-Unsecured Lenders) carrying the right to subscribe for one (1) new Share (“**Warrant (2018-Unsecured Lenders) Share**”) at the Warrants (2018-Unsecured Lenders) Exercise Price (the “**Proposed Warrants (2018-Unsecured Lenders) Issue**”). The Company is in the process of negotiating binding refinancing term sheets (subject to definitive documentation to be entered into) with the Unsecured Lenders.

12.2 Size of the Proposed Warrants (2018-Unsecured Lenders) Issue

The Company has outstanding loans of an aggregate of approximately up to US\$18,000,000 (equivalent to S\$26,033,400 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016) (“**Outstanding Unsecured Lender Loans**”) pursuant to the loan facilities with the Unsecured Lenders (the “**Loan Facility**”). Each of the Unsecured Lenders shall be issued an amount of Warrants (2018-Unsecured Lenders) equal to the sum of the relevant Loan Facility plus all scheduled interest payments, divided by the Warrants (2018-Unsecured Lenders) Initial Exercise Price.

The Unsecured Lenders shall have the right to exercise the Warrants (2018-Unsecured Lenders) at any time during the Warrants (2018-Unsecured Lenders) Exercise Period at the Warrants (2018-Unsecured Lenders) Exercise Price. The interest rate under the Loan Facilities will be reduced effective from the date of issuance of the Warrants (2018-Unsecured Lenders) (the “**Interest**”).

An offer information statement for the Warrants (2018-Shareholders), Warrants (2018-Securityholders), Warrants (2018-Secured Lenders) and Warrants (2018-Unsecured Lenders) will be lodged with the Monetary Authority of Singapore in due course.

12.3 Principal Terms of the Proposed Warrants (2018-Unsecured Lenders) Issue

The principal terms and conditions of the Warrants (2018-Unsecured Lenders), to be constituted by the deed poll to be executed by the Company (the “**Warrants (2018-Unsecured Lenders) Deed Poll**”), are summarised as follows:

- | | | |
|--|---|--|
| Number of Warrants (2018-Unsecured Lenders) | : | Up to 94,221,498 non-listed Warrants (2018-Unsecured Lenders). |
| Basis of Allotment | : | The Warrants (2018-Unsecured Lenders) will be stapled to the Outstanding Unsecured Lender Loans. If there is any assignment of part or all of the Outstanding Unsecured Lender Loans to any third party, the third party shall be assigned the right to be issued the Warrants (2018-Unsecured Lenders) in proportion to the Outstanding Unsecured Lender Loans that is assigned to it on a pro rata basis by the relevant Unsecured Lender. |

LETTER TO SHAREHOLDERS

The Unsecured Lenders shall not assign their respective loans to any persons set out in Rule 812(1) of the Listing Manual and shall not require the Company to issue the Warrants (2018-Unsecured Lenders) or the Warrant (2018-Unsecured Lenders) Shares to the persons set out in Rule 812(1) of the Listing Manual.

Issue Price : The Warrants (2018-Unsecured Lenders) will be issued free.

Exercise Price : The sum payable in respect of each Warrant (2018-Unsecured Lenders) Share to which a Warrants (2018-Unsecured Lenders) Holder will be entitled to subscribe upon the exercise of a Warrant (2018-Unsecured Lenders), being the higher of (i) S\$0.2763 (the “**Warrants (2018-Unsecured Lenders) Initial Exercise Price**”) and (ii) the price that represents the six-month VWAP of a Share prior to each Warrants (2018-Unsecured Lenders) Exercise Price Setting Date, subject to certain anti-dilution adjustments in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) as set out in the Warrants (2018-Unsecured Lenders) Deed Poll. The Warrants (2018-Unsecured Lenders) Exercise Price shall not be less than the Warrants (2018-Unsecured Lenders) Initial Exercise Price. The Warrants (2018-Unsecured Lenders) Initial Exercise Price represents a discount of 10% to the six-month VWAP of a Share on 8 August 2017, being the last Market Day immediately before trading in the Shares were halted on 10 August 2017 and thereafter suspended on 14 August 2017.

The Warrants (2018-Unsecured Lenders) Exercise Price shall be paid only by decreasing the amount of Outstanding Unsecured Lender Loans or Interest held by the relevant Unsecured Lenders at the relevant exercise date by an amount equal to the aggregate Warrants (2018-Unsecured Lenders) Exercise Price; in the event that there no longer remains any outstanding principal amount or interest of such loan in respect of that Unsecured Lender, the unexercised Warrants (2018-Unsecured Lenders) shall lapse. The Warrants (2018-Unsecured Lenders) shall be exercisable in tranches with a minimum aggregate Warrants (2018-Unsecured Lenders) Exercise Price of US\$50,000.

Exercise Period : The period commencing on and including the date of issuance of the Warrants (2018-Unsecured Lenders) and

LETTER TO SHAREHOLDERS

expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of issuance of the Warrants (2018-Unsecured Lenders), provided that if such day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “**Unsecured Lenders Expiration Date**”.

Exercise Rights : Subject to the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll, each Warrant (2018-Unsecured Lenders) entitles the Unsecured Lenders and/or any of the assigned third parties, as the case may be (the “**Warrant (2018-Unsecured Lenders) Holders**”) to subscribe for one (1) Warrant (2018-Unsecured Lenders) Share at the Warrants (2018-Unsecured Lenders) Exercise Price at any time during the Warrants (2018-Unsecured Lenders) Exercise Period.

Number and Status of Warrant (2018-Unsecured Lenders) Shares : Assuming that (i) the Outstanding Unsecured Lender Loans are in aggregate US\$18,000,000, and (ii) all of the Warrants (2018-Unsecured Lenders) are exercised, up to 94,221,498 Warrant (2018-Unsecured Lenders) Shares will be allotted and issued by the Company to the Warrant (2018-Unsecured Lenders) Holders. The 94,221,498 Warrant (2018-Unsecured Lenders) Shares represent approximately 4.5% of the Existing Share Capital as at the Latest Practicable Date and approximately 1.5% of the Enlarged Issued Share Capital of the Company.

The Warrant (2018-Unsecured Lenders) Shares will upon issue and allotment, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Unsecured Lenders) and, subject as aforesaid, shall rank *pari passu* in all respects with the then existing Shares.

Listing of the Warrants (2018-Unsecured Lenders) and the Warrant (2018-Unsecured Lenders) Shares : The Warrants (2018-Unsecured Lenders) will not be listed on the Main Board of the SGX-ST.

The Company has applied for the listing and quotation of up to 94,221,498 Warrant (2018-Unsecured Lenders) Shares arising from the Proposed Warrants (2018-Unsecured Lenders) Issue. Please note that the approval in-principle, if granted by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Warrants (2018-Unsecured Lenders) Issue, the Warrants (2018-

LETTER TO SHAREHOLDERS

Unsecured Lenders), the Warrant (2018-Unsecured Lenders) Shares, the Company and/or its subsidiaries.

Transfer

- : The Warrants (2018-Unsecured Lenders) are non-transferable. However, as the Warrants (2018-Unsecured Lenders) will be stapled to the Outstanding Unsecured Lender Loans. If there is any assignment of part or all of the Outstanding Unsecured Lender Loans to any third party, the third party shall be assigned the right to be issued the Warrants (2018-Unsecured Lenders) in proportion to the Outstanding Unsecured Lender Loans that is assigned to it on a pro rata basis by the relevant Unsecured Lender.

The Unsecured Lenders shall not assign their respective loans to any persons set out in Rule 812(1) of the Listing Manual and shall not require the Company to issue the Warrants (2018-Unsecured Lenders) or the Warrant (2018-Unsecured Lenders) Shares to the persons set out in Rule 812(1) of the Listing Manual.

Adjustments

- : The Warrants (2018-Unsecured Lenders) Exercise Price and the number of Warrants (2018-Unsecured Lenders) to be held by the Warrant (2018-Unsecured Lenders) Holders are subject to anti-dilution adjustments under certain circumstances provided for in the terms and conditions of the Warrants (2018-Unsecured Lenders) as contained in the Warrants (2018-Unsecured Lenders) Deed Poll. Such circumstances relate to:
- (i) issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves;
 - (ii) a capital distribution made by the Company to Shareholders whether on a reduction of capital or otherwise;
 - (iii) an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
 - (iv) any consolidation, subdivision, reclassification or conversion of Shares.

LETTER TO SHAREHOLDERS

Please refer to **Appendix F** to this Circular for the provisions which the Company will use to determine adjustments of the Warrants (2018-Unsecured Lenders) Exercise Price and the number of Warrants (2018-Unsecured Lenders).

Any additional Warrants (2018-Unsecured Lenders) issued pursuant to such adjustments shall rank *pari passu* with the Warrants (2018-Unsecured Lenders) issued under the Proposed Warrants (2018-Unsecured Lenders) Issue and will for all purposes form part of the same series.

- Notice of Expiration** : The Company shall, not later than one (1) month before the Unsecured Lenders Expiration Date, give notice to the Warrant (2018-Unsecured Lenders) Holders of the Unsecured Lenders Expiration Date in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) as set out in the Warrants (2018-Unsecured Lenders) Deed Poll. Additionally, the Company shall not later than one (1) month before the Unsecured Lenders Expiration Date, take reasonable steps to notify Warrant (2018-Unsecured Lenders) Holders in writing of the Unsecured Lenders Expiration Date and such notice shall be delivered by post to the addresses of the Unsecured Lenders as recorded in the warrant register.
- Alteration to Terms** : No material alteration to the terms of the Warrants (2018-Unsecured Lenders) after the issue thereof to the advantage of Warrant (2018-Unsecured Lenders) Holders shall be made, unless the alterations are made pursuant to the terms and conditions of the Warrants (2018-Unsecured Lenders) or the prior approval of the Shareholders in general meeting has been sought.
- Winding Up** : If prior to the expiry of the Warrants (2018-Unsecured Lenders), an effective resolution is passed 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 Warrant (2018-Unsecured Lenders) Holders by way of an extraordinary resolution, the terms of such scheme of arrangement shall be binding on all the Warrant (2018-Unsecured Lenders) Holders and all persons having an interest in the Warrants (2018-Unsecured Lenders).

LETTER TO SHAREHOLDERS

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 Warrant (2018-Unsecured Lenders) Holder shall be entitled upon and subject to the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll, at any time within three (3) 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 the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants (2018-Unsecured Lenders) 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 Warrant (2018-Unsecured Lenders) Holders in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants (2018-Unsecured Lenders) which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants (2018-Unsecured Lenders) shall cease to be valid for any purpose.

Further Issues : Subject to the terms and conditions of the Warrants (2018-Unsecured Lenders) as set out in the Warrants (2018-Unsecured Lenders) Deed Poll, 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 Warrant (2018-Unsecured Lenders) Holders 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.

Governing Law : Laws of the Republic of Singapore.

LETTER TO SHAREHOLDERS

12.4 Conditions for the Proposed Warrants (2018-Unsecured Lenders) Issue

Shareholders should note that the Proposed Warrants (2018-Unsecured Lenders) Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 94,221,498 Warrant (2018-Unsecured Lenders) Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (b) the lodgement of the offer information statement, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Proposed Warrants (2018-Unsecured Lenders) Issue, with the Monetary Authority of Singapore; and
- (c) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

12.5 Adjustment and Modification

In compliance with Rules 829 and 830 of the Listing Manual, the Company will:

- (a) announce any adjustment made pursuant to the Warrants (2018-Unsecured Lenders) Exercise Price pursuant to Rule 829(1) of the Listing Manual;
- (b) announce the expiry of the Warrants (2018-Unsecured Lenders) and a notice of the expiry will be sent to the Warrant (2018-Unsecured Lenders) Holders at least one (1) month before the Secured Lender Expiration Date; and
- (c) obtain Shareholders' approval at a general meeting of the Shareholders for any material modification to the terms of the Warrants (2018-Unsecured Lenders) which is for the benefit of the Warrant (2018-Unsecured Lenders) Holders, unless such modification is made pursuant to the terms of the Warrants (2018-Unsecured Lenders).

12.6 Rules 804 and 812 of the Listing Manual

Under Rule 804 of the Listing Manual, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Listing Manual, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment.

In addition, Rules 812(1) and 812(2) of the Listing Manual provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (a) an issuer's directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;

LETTER TO SHAREHOLDERS

- (c) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;
- (d) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10.0 per cent.; and
- (e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above.

The Unsecured Lenders are each not a Substantial Shareholder and/or an Associate of a Substantial Shareholder or any persons that fall under Rule 812 of the Listing Manual. In accordance with Rule 803 of the Listing Manual, the Warrant (2018-Unsecured Lenders) Shares when issued will not transfer a controlling interest in the Company.

The Unsecured Lenders shall not assign their respective loans to any persons set out in Rule 812(1) of the Listing Manual and shall not require the Company to issue the Warrants (2018-Unsecured Lenders) or the Warrant (2018-Unsecured Lenders) Shares to the persons set out in Rule 812(1) of the Listing Manual.

13. THE PROPOSED PROFESSIONAL FEES SHARES ISSUE

13.1 Background

In connection with the Refinancing Exercise, the Group may incur professional fees, including relevant disbursements, incidental costs and applicable taxes, of up to 1.5% of the total liabilities to be refinanced under the Refinancing Exercise (the "**Professional Fees**"). Such fees, disbursements, incidental costs and applicable taxes are payable to parties including but not limited to corporate advisory firms, valuation firms, statutory / regulatory bodies, audit firms and legal firms.

In view of the Group's cashflow position which necessitates the Refinancing Exercise, the Professional Advisor of the Refinancing Exercise, RSM Corporate Advisory Pte Ltd, has agreed to accept new Shares for payment of the services rendered in connection with the Refinancing Exercise, at the same price as the Shareholders and Securityholders in the other Proposed Transactions.

It has also agreed to act as payment agent for the Group, the role of which is to sell the Professional Fee Shares (as defined below) in settlement of fees, disbursements, incidental costs and applicable taxes incurred in relation to the Refinancing Exercise to other parties including but not limited to corporate advisory firms, valuation firms, statutory / regulatory bodies, audit firms and legal firms.

As announced on 7 February 2018, the Company is proposing to issue up to 157,000,000 new Shares for payment of the Professional Fees (the "**Professional Fees Shares**") at the issue price of S\$0.2763 per Professional Fees Share. The actual number of Professional Fees Shares to be issued will be finalised upon the completion of the Refinancing Exercise.

LETTER TO SHAREHOLDERS

13.2 Professional Fees Shares

Assuming that (i) Professional Fees amounting to 1.5% of the total liabilities to be refinanced are fully paid through the issue of Professional Fees Shares and (ii) the Professional Fees Shares are issued at the issue price of S\$0.2763 per Professional Fees Share, up to 157,000,000 Professional Fees Shares will be issued by the Company, representing approximately 7.6% of the Existing Share Capital as at the Latest Practicable Date, and approximately 2.5% of the Enlarged Issued Share Capital of the Company.

The Professional Fees Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Professional Fees Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares.

The offer of Professional Fees Shares by the Company is made by way of private placement in accordance with section 272B of the SFA. As such no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore.

13.3 Conditions for the Proposed Professional Fees Shares Issue

Shareholders should note that the Proposed Professional Fees Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 157,000,000 Professional Fees Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

13.4 Rules 804 and 812 of the Listing Manual

Under Rule 804 of the Listing Manual, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Listing Manual, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment.

In addition, Rules 812(1) and 812(2) of the Listing Manual provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (a) an issuer's directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;

LETTER TO SHAREHOLDERS

- (c) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;
- (d) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10.0 per cent.; and
- (e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above.

The Professional Advisor is not a Substantial Shareholder and/or an Associate of a Substantial Shareholder or any persons that fall under Rule 812 of the Listing Manual. In accordance with Rule 803 of the Listing Manual, the Professional Fees Shares when issued will not transfer a controlling interest in the Company.

14. THE PROPOSED PRIVATE SUBSCRIBER OPTION SHARES ISSUE

14.1 Background

As announced on 7 February 2018, the Company is proposing to issue up to 100,437,500 new Shares (the "**Private Subscriber Option Shares**") at either the Put Option Issue Price or the Call Option Issue Price (as defined herein) to Asdew Acquisitions Pte Ltd ("**Asdew**") (the "**Proposed Private Subscriber Option Shares Issue**"). Asdew is a private limited company incorporated in Singapore investing in mostly listed equities, fixed income products and real estate products. The shareholders and directors of Asdew are Wang Yu Huei and his spouse. Wang Yu Huei is the majority shareholder of Asdew and he is a Securityholder of the Company as at the Latest Practicable Date. He was also a member of the informal steering committee for the Consent Solicitation Exercise.

Asdew is subscribing for the Private Subscriber Option Shares and the Company is issuing the Private Subscriber Option Shares for the purposes of raising up to US\$10,000,000 (equivalent to S\$14,463,000 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016) for contingent funds.

The offer of Private Subscriber Option Shares by the Company is made by way of private placement in accordance with section 272B of the SFA. As such no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore.

14.2 Call Option

Pursuant to the subscription agreement dated 9 March 2018 entered into between the Company and Asdew (the "**Subscription Agreement**"), the Company irrevocably and unconditionally grants to Asdew the right to require the Company to issue to Asdew the Private Subscriber Option Shares (the "**Call Option**") and Asdew shall have the right to exercise the Call Option at any time during the 60 months after the lifting of the suspension of trading of the Shares on the SGX-ST (the "**Trading Resumption**"), to subscribe for the Private Subscriber Option Shares at the sum amounting to the aggregate of the number of Private Subscriber Option Shares being subscribed for multiplied by the following issue price:

LETTER TO SHAREHOLDERS

An initial issue price of S\$0.2763, which shall be reset every six (6) months (“Issue Price Reset Date”) by the Company beginning on the date that is six (6) months after the Trading Resumption to a price that represents the six-month VWAP of the Shares prior to each Issue Price Reset Date, rounded down to the nearest S\$0.0001, provided that if such a price is lower than S\$0.2763, the issue price shall be S\$0.2763 (“**Call Option Issue Price**”).

The exercise of the Call Option shall be in minimum tranches of S\$1 million per tranche of Private Subscriber Option Shares being subscribed for.

14.3 Put Option

Pursuant to the Subscription Agreement, Asdew irrevocably and unconditionally grants to the Company the right to require Asdew to subscribe for the Private Subscriber Option Shares (the “**Put Option**”) and the Company shall have the right to exercise the Put Option at any time after one (1) month and before the end of 60 months after the Trading Resumption, the Private Subscriber Option Shares at the sum amounting to the aggregate of the number of Private Subscriber Option Shares being subscribed for multiplied by the lower of S\$0.2487 or a price at a 20.0% discount to the last full day VWAP of a Share on the date of the notice given by the Company to Asdew to exercise the Put Option, subject always to a minimum issue price of S\$0.144 (“**Put Option Issue Price**”). The Company shall not be entitled to exercise the Put Option if (a) the last full day VWAP of a Share on the date of the notice purported to be given by the Company to Asdew to exercise the Put Option is less than S\$0.18 or (b) the price representing a 20.0% discount to the last full day VWAP of a Share on the date of the notice purported to be given by the Company to Asdew to exercise the Put Option is less than S\$0.144.

The exercise of the Put Option shall be in minimum tranches of S\$1 million per tranche of Private Subscriber Option Shares being subscribed for by Asdew.

The discount of 20.0% was commercially negotiated with Asdew on an arm’s length basis and the Board is of the view that it is not prejudicial to the interests of Shareholders taking into account the financials of the Company and the fact that Asdew is injecting cash into the Company.

14.4 Private Subscriber Option Shares

Assuming that the full US\$10,000,000 (equivalent to S\$14,463,000 based on an exchange rate of US\$1 : S\$1.4463 as at 31 December 2016) is raised by the Company and each Asdew Subscription Share is issued at an issue price of S\$0.144 (being the minimum Put Option Issue Price), 100,437,500 Private Subscriber Option Shares will be issued to Asdew, representing approximately 4.8% of the Existing Share Capital as at the Latest Practicable Date, and approximately 1.6% of the Enlarged Issued Share Capital of the Company.

The Private Subscriber Option Shares shall, when issued and allotted, be duly authorised, validly issued and credited as fully paid-up, be free from any and all encumbrance, be fully transferable and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Private Subscriber

LETTER TO SHAREHOLDERS

Option Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares.

Asdew has also undertaken not to subscribe for Shares that will result in its shareholding in the Company exceeding 29.9% of the issued share capital of the Company at any time so as to avoid triggering any takeover obligations under the Takeover Code.

14.5 Subscription Agreement

The Subscription Agreement provides for the usual adjustments to the Call Option Issue Price and the Put Option Issue Price, and the number of the Private Subscriber Option Shares in the event of certain corporate exercises which include any consolidation, subdivision of the Shares, capitalisation issue, capital distribution and rights issue.

The Subscription Agreement does not provide for any rights to Asdew on the liquidation of the Company or to participate in any distributions and/or offers of further securities made by the Company.

14.6 Conditions for the Proposed Private Subscriber Option Shares Issue

Shareholders should note that the Proposed Private Subscriber Option Shares Issue is subject to, *inter alia*, the following:

- (a) the receipt of the approval in-principle from the SGX-ST for the listing and quotation of up to 100,437,500 Private Subscriber Option Shares on the Main Board of the SGX-ST, and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the receipt of Shareholders' approval for the Proposed Transactions at the EGM.

14.7 Rules 804 and 812 of the Listing Manual

Under Rule 804 of the Listing Manual, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Listing Manual, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment.

In addition, Rules 812(1) and 812(2) of the Listing Manual provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (a) an issuer's directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;
- (c) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;

LETTER TO SHAREHOLDERS

- (d) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10.0 per cent.; and
- (e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d) above.

Asdew is, at the Latest Practicable Date, not a Substantial Shareholder and/or an Associate of a Substantial Shareholder or any persons that fall under Rule 812 of the Listing Manual. However, Shareholders should note that Asdew may at any point in time after the EGM become a Substantial Shareholder, depending on whether the Proposed Transactions are completed on a maximum basis. Accordingly, in accordance with Rules 812(1) and 812(2) of the Listing Manual, Shareholders' approval is being sought for the Proposed Private Subscriber Option Shares Issue.

14.8 Use of Proceeds

Assuming that all of the 100,437,500 Private Subscriber Option Shares are issued at the minimum Put Option Issue Price of S\$0.144, the Proposed Private Subscriber Option Shares Issue will raise approximately S\$14.46 million and the net proceeds of the Proposed Private Subscriber Option Shares Issue, after deducting estimated expenses of approximately S\$50,000, will amount to approximately S\$14.41 million. The Company expects to utilise the net proceeds from the Shareholders relating to the Proposed Private Subscriber Option Shares Issue in the following manner:

- (a) 100% to be used for working capital purposes.

Assuming that all of the 100,437,500 Private Subscriber Option Shares are issued at the Call Option Issue Price of S\$0.2763, the Proposed Private Subscriber Option Shares Issue will raise approximately S\$27.75 million and the net proceeds of the Proposed Private Subscriber Option Shares Issue, after deducting estimated expenses of approximately S\$50,000, will amount to approximately S\$27.70 million. The Company expects to utilise the net proceeds from the Shareholders relating to the Proposed Private Subscriber Option Shares Issue in the following manner:

- (a) 100% to be used for working capital purposes.

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of such proceeds as and when the funds are materially disbursed, as well as provide status reports on the use of such proceeds in the Company's annual reports until such time the proceeds have been fully utilised. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

LETTER TO SHAREHOLDERS

15. BACKGROUND TO AND RATIONALE OF THE PROPOSED TRANSACTIONS

15.1 Background to the Proposed Transactions

The Group is primarily engaged in the business activities of providing Liftboats, Service Rigs and Offshore Logistics Vessels (each as defined and described in further detail below). The Group's business activities are classified under two principal operating segments, namely the (a) Production and Maintenance Support Segment and (b) Exploration and Development Support Segment.

The Group's liftboats ("**Liftboats**") are primarily deployed for the servicing and intervention of oil wells, commissioning, maintenance, repair and decommissioning of offshore production platform infrastructure as well as for accommodation support. The Liftboats are deployed in offshore oil and gas projects in the Southeast Asia, Middle East and West Africa regions. The end users of the Liftboats are generally national oil companies or multinational oil majors. The Group recently also secured deployment of Liftboats to support state-owned enterprises in China in offshore windfarm installation projects.

In the years prior to the oil crisis, the Group acquired a fleet of drilling rigs with the intention of upgrading or converting them for other uses such as accommodation and mobile offshore production ("**Service Rigs**"). The drilling rigs were originally used for exploration, development and production purposes in various oil and gas projects. Upon conversion, the accommodation rigs can be used to provide accommodation services for offshore oil and gas platform repair and maintenance works as well as offshore windfarm construction projects, while mobile offshore production units can be used for low-cost extraction of oil and gas from the seabed in shallow waters as compared to installing permanent production platforms. Some of the drilling rigs are utilised for workover operations including well servicing activities to improve production of the oil wells. The end users of the Service Rigs are generally national oil majors, multinational oil companies or multinational offshore windfarm owners in the Southeast Asia, South Asia, Middle East, Central Americas and the North Sea regions.

The Group provides charter services for offshore oil and gas support vessels across the entire oilfield lifecycle which spans exploration, construction of offshore production platform infrastructure, production, maintenance and decommissioning of offshore production platform infrastructure. The Group's vessels which are used in this division are mostly chartered on a short term basis.

The offshore logistics vessels ("**Offshore Logistics Vessels**") are typically deployed in offshore oil and gas projects in Australia and in the Asia Pacific, Central Americas and Middle East regions. The Group's customers are generally multinational companies in the offshore oil and gas industry.

The offshore marine logistics and support services industry is directly affected by the level of activities in the offshore oil and gas industry, which in turn is largely dependent on the demand and supply for such natural resources, crude oil production levels, global political and economic uncertainties, advances in exploration and development technology and worldwide demand for natural resources. The Group has been affected by the above and its charter rates have decreased significantly as compared to the years before 2015. Furthermore, collection of

LETTER TO SHAREHOLDERS

receivables has slowed and creditors are reluctant to extend credit terms to the Group. However, the Group's principal businesses are in the production and maintenance segments, which generate recurring revenue as compared to the project-driven nature of the exploration and developmental phase. The Group expects such production and maintenance activities to increase in the coming years as such activities cannot be deferred indefinitely without having a material adverse effect. Decreased inspection frequency generally leads to plant failure and unplanned shutdowns whilst delays in maintenance activity increase risks and affect production efficiency. Hence, the Group expects its results of operations to improve if it can provide the services to meet such increased demand.

15.2 Rationale of the Proposed Transactions

The Group believes that based on its current operating cash flows, the level of its indebtedness is not sustainable. Its strategies and future plans will focus on decreasing its indebtedness to a more sustainable level, including by:

- (a) increasing net operating cash flows;
- (b) reducing its liabilities through the expected conversion of convertible bonds to be issued as part of the Group's refinancing;
- (c) exercise of warrants by warrant holders; and
- (d) attracting one or more strategic investors.

Accordingly, the Group is undertaking the Proposed Transactions pursuant to the Refinancing Exercise to re-arrange its debt maturity profile and provide for sufficient operational and financial flexibility to better enable the Group to ride out the challenging market conditions in the oil and gas sector, which may persist on a prolonged basis, and to allow the Group to service its debts based on its expected future cash flows.

In respect of the Proposed Private Subscriber Option Shares Issue, the Company will be able to raise up to US\$10,000,000 (equivalent to S\$14,463,000 based on an exchange rate of US\$1: S\$1.4463 as at 31 December 2016) for contingent funds.

In respect of the Proposed Professional Fees Shares Issue, the Company is of the view that this would help the Company to conserve its cash reserves and provide the Company with greater financial flexibility.

16. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

The *pro forma* financial effects of the Proposed Transactions presented below do not take into account the following:

- (a) The utilisation of the Group's service rigs and offshore logistics vessels remained depressed and the Group is currently exploring various options to reduce the burn rates of the service rigs and offshore logistics vessels that are currently not deployed. While the Group continues to seek deployment opportunities, the Group will be looking for

LETTER TO SHAREHOLDERS

opportunities to dispose Service Rigs and Offshore Logistics Vessels that are currently not deployed. For those assets which are deployed but not receiving payments from its clients, the Group may terminate the contract and will seek to take repossession of those assets if there are opportunities to sell them or for potential redeployment.

- (b) In view of the above, the Group is in the process of assessing the amount of impairment losses on its assets, such as vessels and trade receivables. The assessment of the amount of impairment losses on the Group's assets is a complex exercise which is heavily dependent on the management's judgement and estimates of charter rates, utilisation rates, operating expenditure, creditworthiness of counterparties and appropriate discount rates that take into account market rates, and incorporating market, country and asset specific risk premiums of the Group's assets.
- (c) In light of the prevailing economic conditions in the markets in which the Group's vessels operate, the management is focusing on sourcing for new prospects to deploy the Group's vessels and negotiating more favourable charter rates for its vessels. These negotiations are ongoing and indicative charter rates and deployment prospects are subject to fluctuations and changes. As the assessment of the amount of impairment losses is heavily dependent on potential charter prospects and indicative charter rates, the Group will reflect the assessment of the amount of impairment losses in the Group's unaudited accounts for FY2017.
- (d) For illustrative purposes only, the table below sets out a sensitivity analysis on the adjusted net asset value ("**NAV**") per Share assuming impairment losses of between US\$500 million and US\$900 million, based on the NAV per Share as at 30 September 2017.

	Assuming Impairment Losses of				
	US\$500 million	US\$600 million	US\$700 million	US\$800 million	US\$900 million
NAV per Share (US\$)	0.6203	0.6203	0.6203	0.6203	0.6203
Adjusted NAV per Share as adjusted for impairment losses (US\$)	0.3792	0.3310	0.2828	0.2346	0.1863
Adjusted NAV per Share as adjusted for impairment losses (S\$ at an assumed exchange rate of US\$1 to S\$1.36)	0.5157	0.4502	0.3846	0.3190	0.2534

LETTER TO SHAREHOLDERS

16.1 Consolidated Financial Effects of the Proposed Transactions

(a) Bases and Assumption

The *pro forma* financial effects of the Proposed Transactions are presented for illustration only and are not intended to reflect the actual future financial situation of the Company after the completion of the Proposed Transactions. These illustrative *pro forma* financial effects have been computed based on the Group's latest audited consolidated financial results for FY2016 and do not take into account any transaction expenses incurred in connection with the Proposed Transactions.

(b) Share Capital

	Number of Shares (excluding treasury shares)
Before the Proposed Transactions ⁽¹⁾	2,073,843,405
Number of new Shares pursuant to the Proposed Transactions	4,153,564,945
Enlarged share capital after completion of the Proposed Transactions	6,227,408,350

Note:

(1) Based on 2,073,843,405 Shares (excluding treasury shares) in issue as at the Latest Practicable Date.

(c) Earnings per Share

Assuming that the Proposed Transactions had been completed on 1 January 2016, the effect of the Proposed Transactions on the Group's EPS for FY2016 will be as follows:

	EPS (US cents)
Before the Proposed Transactions ⁽¹⁾	(2.30)
EPS adjusted pursuant to the issue of the new Shares under the Proposed Transactions	(1.35)

Note:

(1) Based on 2,073,843,405 Shares (excluding treasury shares) in issue as at the Latest Practicable Date.

LETTER TO SHAREHOLDERS

(d) **Net Tangible Assets**

Assuming that the Proposed Transactions had been completed on 31 December 2016, the effect of the Proposed Transactions on the Group's NTA per Share as at 31 December 2016 will be as follows:

	Group (as at 31 December 2016)
<u>As reported</u> ⁽¹⁾	
NTA (US\$'000) ⁽²⁾	1,315,384
NTA per Share (US cents)	63.43
<u>After issue of the new Shares pursuant to the Proposed Transactions</u>	
Adjusted NTA (US\$'000) ⁽²⁾	1,913,511
Adjusted NTA per Share (US cents)	30.73

Notes:

(1) Based on 2,073,843,405 Shares (excluding treasury shares) in issue as at the Latest Practicable Date.

(2) Based on an exchange rate of US\$1.00 : S\$1.4463 as at 31 December 2016.

16.2 **The Proposed Warrants (2018-Shareholders) Issue**

(a) **Dividends**

The Company has not declared any dividend for the past two financial years.

Any intention to recommend future dividends (if any) will be subject to various factors such as the level of cash and retained earnings, actual and projected financial performance, projected levels of capital expenditure and other investment plans and other operational conditions of the Company's businesses at the time of declaration of the proposed dividend, if any.

LETTER TO SHAREHOLDERS

17. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

17.1 As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, as recorded in the Register of Directors' shareholdings and Register of Substantial Shareholders' shareholdings respectively, are set out below:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Dr Wang Kai Yuen	711,400	0.03	-	-
Mr Chew Thiam Keng ⁽²⁾	27,259,440	1.31	190,324,000	9.18
Mr Lim Thean Ee	2,100,000	0.10	-	-
Mr Tan Woon Hum	299,520	0.01	650,000	0.03
Mr Yee Chia Hsing	-	-	-	-
Substantial Shareholders				
Mdm Chan Fooki Peng ⁽³⁾	37,724,000	1.82	179,859,440	8.67
Macarios Pte Ltd	152,600,000	7.36	-	-
M&G Investment Management Limited ⁽⁴⁾	-	-	98,217,700	6.16
M&G Limited ⁽⁵⁾	-	-	98,217,700	6.16
M&G Group Limited ⁽⁶⁾	-	-	98,217,700	6.16
Prudential Plc ⁽⁷⁾	-	-	98,217,700	6.16

Notes:

- (1) The percentage of shareholdings is computed based on the Existing Share Capital comprising 2,073,843,405 Shares (excluding treasury shares and share options granted under the Ezion Employee Share Option Scheme) as at the Latest Practicable Date.
- (2) By virtue of Shares held directly by Mr Chew Thiam Keng's spouse, Madam Chan Fooki Peng, he is deemed to be interested in the Shares held by Madam Chan Fooki Peng. 1,950,000 of the Shares under Mr Chew Thiam Keng's direct interest are registered under Citibank Nominees SG.
- (3) By virtue of Shares held directly by Madam Chan Fooki Peng's spouse, Mr Chew Thiam Keng, she is deemed to be interested in the Shares held by Mr Chew Thiam Keng; and deemed interested in 152,600,000 Shares held by Macarios Pte Ltd.
- (4) M&G Investment Management Limited ("**M&G Investment**") has deemed interest in the Shares as it has discretionary power in the disposal rights over the Shares as fund manager. The percentage shown, to the nearest 2 decimal places, was based on the form 3 received from M&G Investment as at 5 August 2016.
- (5) M&G Investment is a wholly-owned subsidiary of M&G Limited. M&G Limited is deemed to have interest in the shares held by M&G Investment by virtue of the provisions of Section 4 of the SFA. The percentage shown, to the nearest 2 decimal places, was based on the form 3 received from M&G Limited as at 5 August 2016.
- (6) M&G Investment is a wholly-owned subsidiary of M&G Limited, which is in turn a wholly-owned subsidiary of

LETTER TO SHAREHOLDERS

M&G Group Limited. M&G Group Limited is deemed to have interest in the shares held by M&G Investment by virtue of the provisions of Section 4 of the SFA. The percentage shown, to the nearest 2 decimal places, was based on the form 3 received from M&G Group Limited as at 5 August 2016.

- (7) M&G Investment is a wholly-owned subsidiary of M&G Limited, which is in turn a wholly-owned subsidiary of M&G Group Limited. M&G Group Limited is ultimately owned by Prudential Plc. Prudential Plc is deemed to have interest in the shares held by M&G Investment by virtue of the provisions of Section 4 of the SFA. The percentage shown, to the nearest 2 decimal places, was based on the form 3 received from Prudential Plc as at 5 August 2016.

Save as disclosed in this Circular, none of the Directors and Substantial Shareholders has any interests, direct or indirect, in the Proposed Transactions, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

- 17.2 Based on the shareholding structure of the Company as at the Latest Practicable Date, upon completion of the Proposed Transactions and after the conversion of the Series B Convertible Bonds, the exercise of the Warrants (2018-Shareholders), the Warrants (2018-Securityholders), the Warrants (2018-Secured Lenders), and the Warrants (2018-Unsecured Lenders), and the issue and allotment of the Series B Conversion Shares, the Warrant (2018-Shareholders) Shares, the Warrant (2018-Securityholders) Shares, the Series 008 Securities Conversion Shares, the Interest Shares, the Warrant (2018-Secured Lenders) Shares, the TLF Consent Shares, the Securityholders Consent Shares, the Warrant (2018-Unsecured Lenders) Shares, the Professional Fees Shares and the Private Subscriber Option Shares, the interests of the Directors and Substantial Shareholders in the Shares will be as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Dr Wang Kai Yuen	711,400	0.01	-	-
Mr Chew Thiam Keng	27,259,440	0.44	190,324,000	3.06
Mr Lim Thean Ee	2,100,000	0.03	-	-
Mr Tan Woon Hum	299,520	0.00	650,000	0.01
Mr Yee Chia Hsing	-	-	-	-
Substantial Shareholders				
Mdm Chan Fooki Peng	37,724,000	0.61	179,859,440	2.89
Macarios Pte Ltd	152,600,000	2.45	-	-
M&G Investment Management Limited	-	-	98,217,700	1.58
M&G Limited	-	-	98,217,700	1.58
M&G Group Limited	-	-	98,217,700	1.58
Prudential Plc	-	-	98,217,700	1.58

Notes:

- (1) The percentage of issued share capital is calculated on the basis of 6,227,408,350 Shares, excluding treasury shares,

LETTER TO SHAREHOLDERS

upon completion of the Proposed Transactions and after the conversion of the Series B Convertible Bonds, the exercise of the Warrants (2018-Shareholders), the Warrants (2018-Securityholders), the Warrants (2018-Secured Lenders), and the Warrants (2018-Unsecured Lenders), and the issue and allotment of the Series B Conversion Shares, the Warrant (2018-Shareholders) Shares, the Warrant (2018-Securityholders) Shares, the Series 008 Securities Conversion Shares, the Interest Shares, the Warrant (2018-Secured Lenders) Shares, the TLF Consent Shares, the Warrant (2018-Unsecured Lenders) Shares, the Professional Fees Shares and the Private Subscriber Option Shares.

18. DIRECTORS' RECOMMENDATIONS

18.1 The Proposed Transactions

The Directors, save for Mr Yee Chia Hsing who is an employee of one of the Secured Lenders, having considered, *inter alia*, the terms of, rationale for and benefits of the Proposed Transactions, are of the opinion that the Proposed Transactions are in the best interests of the Company and accordingly, recommend that Shareholders vote in favour of the Ordinary Resolution 1 relating to the Proposed Transactions, as set out in the attached Notice of EGM.

18.2 Interconditionality of the Proposed Transactions

Shareholders should note that the terms of the Proposed Transactions are interconditional as the Refinancing Exercise requires all of the Proposed Transactions to be effected, hence there is only 1 Ordinary Resolution to be voted on by Shareholders at the EGM.

18.3 No Regard to Specific Objectives

Shareholders, in deciding whether to vote in favour of the Ordinary Resolution 1 relating to the Proposed Transactions, should read carefully the terms, rationale for and benefits of the Proposed Transactions. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank, solicitor, accountant, tax adviser or other professional advisers.

19. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-8 of this Circular, will be held at Tee Garden, Warren Golf & Country Club, 81 Choa Chu Kang Way, Singapore 688263 on 28 March 2018 at 10.00 a.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing (with or without any modification) the Ordinary Resolution 1 relating to the Proposed Bonds Issue, the Proposed Warrants (2018-Shareholders) Issue, the Proposed Warrants (2018-Securityholders) Issue, the Proposed Series 008 Securities Conversion Shares Issue, the Proposed Interest Shares Issue, the Proposed Warrants (2018-Secured Lenders) Issue, the Proposed TLF Consent Shares Issue, the Proposed Securityholders Consent Shares Issue, the Proposed Warrants (2018-Unsecured Lenders) Issue, the Proposed Professional Fees Shares Issue and the Proposed Private Subscriber Option Shares Issue, as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

20. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 15 Hoe Chiang Road, #12-05 Tower Fifteen Singapore 089316 not less than 48 hours before the time fixed for holding the EGM. The completion and lodgement of the proxy form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM. Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the EGM without the lodgement of any Proxy Form.

21. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and confirm after making all reasonable enquires that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information 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 these sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully

For and on behalf of the Board of Directors of
EZION HOLDINGS LIMITED

Goon Fook Wye Paul
Company Secretary

APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES B CONVERTIBLE BONDS

Condition 6.4 of the terms and conditions of the Series B Convertible Bonds, as set out in the Refinancing Bonds Trust Deed, provides for the circumstances in which the Series B Conversion Price may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“6.4 Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events:

6.4.1 *Consolidation, Subdivision or Reclassification:* If and whenever there shall be an alteration to the number of Shares in issue as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Shares in issue immediately before such alteration; and

B is the aggregate number of Shares in issue immediately after such alteration.

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

6.4.2 *Capitalisation of profits or reserves:*

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

$$\frac{A}{B}$$

where:

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

B is the number of Shares in issue immediately after such issue.

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

**APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES
B CONVERTIBLE BONDS**

- (ii) In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price (as defined in Condition 6.5.3) of such Shares on the last full Trading Day preceding the date of announcement of the terms of such issue exceeds the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the aggregate number of Shares in issue immediately before such Scrip Dividend;
- B is the aggregate number of Shares issued by way of such Scrip Dividend multiplied by a fraction which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is such Current Market Price of the Shares issued by way of Scrip Dividend in respect of each existing Share in lieu of the whole, or the relevant part, of the Relevant Cash Dividend; and
- C is the aggregate number of Shares issued by way of such Scrip Dividend.

or by making such other adjustment to the Conversion Price to give effect to the foregoing as an Independent Adviser shall certify to the Refinancing Bonds Trustee is fair and reasonable.

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

- 6.4.3** *Capital Distribution:* If and whenever the Issuer shall pay or make any Capital Distribution to the Shareholders (except where the Conversion Price falls to be adjusted under **Condition 6.4.2** above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A - B}{A}$$

**APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES
B CONVERTIBLE BONDS**

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which the Capital Distribution is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the Capital Distribution attributable to one Share.

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

6.4.4 *Rights Issues of Shares or Options over Shares:* If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at less than 90 per cent. of the Current Market Price per Share on the last full Trading Day preceding the date of the announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the aggregate number of Shares in issue immediately before such announcement;
- B is the number of Shares which the aggregate amount (if any) receivable for the Shares issued by way of rights or for the options or warrants or other rights issued by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and
- C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant of such rights, options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be), or if a Record Date is fixed therefor, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be on the Relevant Stock Exchange.

6.4.5 *Rights Issues of Other Securities:* If and whenever the Issuer shall issue any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares) to all or substantially all Shareholders as a class by way of rights,

**APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES
B CONVERTIBLE BONDS**

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

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

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

6.4.6 [CLAUSE DELETED]

6.4.7 [CLAUSE DELETED]

6.4.8 [CLAUSE DELETED]

6.4.9 *Other Offers to Shareholders:* If and whenever the Issuer or any Subsidiary or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary) any other company, person or entity issues, sells or distributes any securities in connection with which an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under **Conditions 6.4.4 or 6.4.5**), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which such issue is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES B CONVERTIBLE BONDS

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

6.4.10 Other Events: In the event any adjustment to the Conversion Price is proposed or required to be made as a result of one or more events or circumstances not referred to in this **Condition 6.4**, the Issuer shall at its own expense request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Adviser such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that where the events or circumstances giving rise to any adjustment pursuant to this **Condition 6.4** have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this **Condition 6.4** as may be advised by the Independent Adviser to be in its opinion appropriate to give the intended result. The Issuer in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Issuer from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Issuer as at the date of execution of this Agreement, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per Share value of such adjustment cannot exceed the per Share value of the dilution to the Shareholder's interest in the equity of the Issuer (based on the Shares comprised in the unexercised options held by such Shareholder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment."

For the purposes of **Condition 6.4** above, the following definitions shall apply:

"Capital Distribution" means (i) any distribution of assets in specie by the Issuer for any financial period whenever paid or made and however described (and for these purposes a distribution of assets in specie includes without limitation an issue of Shares or other securities credited as fully or partly paid (other than Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect thereof under Condition 6.4.2(i)) by way of capitalisation of reserves, but excludes a Scrip Dividend to the extent an adjustment to the Conversion Price is made in respect thereof under Condition 6.4.2(ii)), and (ii) any cash dividend or distribution of any kind by the Issuer relating to the Shares for any financial period whenever paid or made and however described, including (without limitation) any Scrip Dividend to the extent of the Relevant Cash Dividend, excluding any dividend or distribution for that financial period to the extent that it does not (when taken together with any other Relevant Cash Dividends previously made or paid in respect of that financial period) exceed 20 per cent. of the Market Capitalisation of the Issuer at the time of announcement of such Relevant Cash Dividend, for each such financial period.

APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES B CONVERTIBLE BONDS

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

“**Current Market Price**” means, in respect of a Share at a particular time on a particular date, the average of the daily Closing Price quoted by the SGX-ST for one Share for the five consecutive Trading Days ending on and including the Trading Day immediately preceding such date; provided that if at any time during the said five Trading Day period the Shares shall have been quoted ex-dividend (or ex-any other entitlement) and during some other part of that period the Shares shall have been quoted cum-dividend (or cum-any other entitlement) then:

- (a) if the Shares to be issued, transferred or delivered in such circumstances do not rank for the dividend (or other entitlement) in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the amount of that dividend (or other entitlement) per Share; or
- (b) if the Shares to be issued, transferred or delivered in such circumstances rank for the dividend (or other entitlement) in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of the amount of that dividend (or other entitlement) per Share,

and provided further that if the Shares on each of the said five Trading Days have been quoted cum-dividend (or cum-any other entitlement) in respect of a dividend (or other entitlement) which has been declared or announced but the Shares to be issued, transferred or delivered do not rank for that dividend (or other entitlement), the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend (or other entitlement) per Share.

“**Fair Market Value**” means, with respect to any assets, securities, options, warrants or other rights on any date, the fair market value of that asset, security, option, warrant or other right as determined in good faith by an Independent Adviser; provided that (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily Closing Prices of such options, warrants or other rights during the period of five Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded.

“**Independent Adviser**” means licensed independent investment bank or independent auditors (acting as an expert) selected by the Issuer and approved in writing by the Refinancing Bonds Trustee.

“**Issuer**” means Ezion Holdings Limited.

“**Market Capitalisation**” on any date means the product of (a) the Current Market Price on such date and (b) the total number of Shares issued and outstanding on such date.

**APPENDIX A – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE SERIES
B CONVERTIBLE BONDS**

“Refinancing Bonds Trustee” means DBS Trustee Limited.

“Relevant Cash Dividend” means the aggregate cash dividend or distribution declared by the Issuer, including any cash dividend in respect of which there is any Scrip Dividend (which, for the avoidance of doubt, shall exclude a purchase or redemption of Shares, but include the Relevant Cash Dividend component of a Scrip Dividend).

“Relevant Stock Exchange” means the SGX-ST or, in the case of Shares or other securities if they are not at the time listed and traded on the SGX-ST, the principal stock exchange or securities market on which the Shares or other securities are then listed or quoted or dealt in.

“Scrip Dividend” means where Shares are issued in lieu of the whole or any part of any Relevant Cash Dividend, being a dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution (and for the avoidance of doubt to the extent that no adjustment is to be made under Condition 6.4.3 in respect of the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend of part thereof) but without any prejudice to any adjustment required in such circumstances to be made under Condition 6.4.2(ii).

“Trading Day” means a day when the Relevant Stock Exchange is open for business and on which the Shares or other securities may be dealt in, provided that if no Closing Price is reported in respect of the relevant Shares or other securities on the Relevant Stock Exchange for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days.

APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-SHAREHOLDERS)

Condition 5 of the terms and conditions of the Warrants (2018-Shareholders), as set out in the Warrants (2018-Shareholders) Deed Poll, provides for the circumstances in which the Warrants (2018-Shareholders) Exercise Price and the number of Warrants (2018-Shareholders) held by the Warrant (2018-Shareholders) Holders may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

5.1 The Exercise Price and the number of Warrants held by each Warranholder 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 Warranholder shall subject to Conditions 5.3 and 5.4 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 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 but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) to the Shareholders;

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 the Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or

5.1.4 any consolidation, subdivision, reclassification or conversion of Shares.

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 Warranholder 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 5.1.4 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 (or in the absence of an Approved Bank, by the Directors) 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 Warranholder shall be adjusted in the following manner:

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

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

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

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 (as may be adjusted from time to time in accordance with these Conditions).

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.

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 whereunder they may acquire or subscribe for Shares by way of rights or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares,

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:

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

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

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

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).

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

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.

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.

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

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

5.2.4 If, and whenever, consolidation, subdivision, reclassification or conversion of the shares occurs, the Exercise Price and the number of Warrants 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:

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

where:

A = as in A above;

B = as in B above;

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 or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;

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

5.3.5 any issue by the Company of securities convertible into Shares or rights, options, warrants or other rights to acquire or subscribe for or purchase Shares (other than arising from or

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

by way of rights, bonus or other capitalisation issues) 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 issues; or

- 5.3.6 an issue (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3, and other than an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend or an issue of Shares arising from rights of conversion into, or exchange or subscription for Shares) by the Company of Shares, or issue or grant (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3) rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, or issue any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares.
- 5.4 If any offer or invitation for Shares is made by any person (the "**Offeror**") otherwise than by the Company to the Shareholders, then the Company shall
- 5.4.1 inform the Offeror of its obligation to the Warrantheolders;
- 5.4.2 so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantheolders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable; and
- 5.4.3 notify the Warrantheolders as soon as practicable of the offer or invitation by the Offeror so as to give the Warrantheolders sufficient time to exercise their Warrants in accordance with these Conditions,
- provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Deed Poll.
- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (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 one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.6 Any adjustment to the number of Warrants held by each Warrantheolder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warrantheolder 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 Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. 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 Warrantheolder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

Warrantholder shall 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.

- 5.7 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 or absence of 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. For the purpose of this Condition 5.7 and notwithstanding anything to the contrary in the Conditions, any adjustment or absence of an adjustment considered by the Approved Bank (or in the absence of an Approved Bank, the Directors) that constitutes a material alteration to the Conditions and is to the advantage of the Warrantholders shall be approved by the Shareholders, except where the alterations are made pursuant to the terms of the Conditions other than this Condition 5.7.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 10 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:
- 5.8.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.8.2 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, 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 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

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

pursuant to Condition 5.6, such Additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.

- 5.9 If the Directors, the Approved Bank and 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 (save for manifest error) and no certification by the Auditors shall in such circumstances be necessary.
- 5.10 Without prejudice to the generality of Condition 5.7, 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 Warrantholder shall be adjusted accordingly.
- 5.11 Any additional 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 these Conditions.
- 5.12 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 Warrantholders and all other persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder 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.
- 5.14 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 Warrantholders 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.”

For the purposes of **Condition 5** above, the following definitions shall apply:

“**Approved Bank**” means a bank or a merchant bank in Singapore selected by the Directors.

“**Auditors**” means the auditors for the time being of the Company or, in the event of their being unable or unwilling to carry out any action required of them pursuant to the Deed Poll or these Conditions, such other auditors as may be nominated by the Company.

“**Conditions**” means the terms and conditions of the Warrants as the same may from time to time be modified in accordance with the provisions set out in the Deed Poll and “**Condition**” refers to the relative numbered paragraphs of the Conditions.

**APPENDIX B – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SHAREHOLDERS)**

“**Deed Poll**” means the Warrants (2018-Shareholders) Deed Poll.

“**Exercise Price**” means the Warrants (2018-Shareholders) Exercise Price.

“**Last Dealt Price**” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on SGX-ST.

“**Warrantholder**” in relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant.

“**Warrants**” means (i) the Warrants (2018-Shareholders); (ii) such further warrants (if any) as may be required or permitted to be issued by the Company in accordance with Condition 5 (such further warrants to rank *pari passu* with the Warrants (2018-Shareholders) and for all purposes to form part of the same series), each such additional warrant entitling the holder thereof to subscribe for one (1) new Share at such price as may be determined in accordance with Condition 5, upon and subject to the Conditions, and for the time being remaining unexercised, as the context may require, a specific number thereof and includes any replacement warrant issued pursuant to Condition 9.

“**Warrant Register**” means the register of Warrantholders required to be maintained pursuant to Condition 4.7.

APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-SECURITYHOLDERS)

Condition 5 of the terms and conditions of the Warrants (2018-Securityholders), as set out in the Warrants (2018-Securityholders) Deed Poll, provides for the circumstances in which the Warrants (2018-Securityholders) Exercise Price and the number of Warrants (2018-Securityholders) held by the Warrants (2018-Securityholders) Holders may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

- 5.1 The Exercise Price and the number of Warrants held by each Warrantheader 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 Warrantheader shall subject to Conditions 5.3 and 5.4 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 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 but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) to the Shareholders;
 - 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 the Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
 - 5.1.4 any consolidation, subdivision, reclassification or conversion of Shares.
- 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 Warrantheader 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 5.1.4 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 (or in the absence of an Approved Bank, by the Directors) 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 Warrantheader shall be adjusted in the following manner:

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

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

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

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 (as may be adjusted from time to time in accordance with these Conditions).

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.

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 whereunder they may acquire or subscribe for Shares by way of rights or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares,

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:

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

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

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

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).

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

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.

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.

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

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

5.2.4 If, and whenever, consolidation, subdivision, reclassification or conversion of the shares occurs, the Exercise Price and the number of Warrants 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:

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

where:

A = as in A above;

B = as in B above;

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 or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;

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

5.3.5 any issue by the Company of securities convertible into Shares or rights, options, warrants or other rights to acquire or subscribe for or purchase Shares (other than arising from or by way of rights, bonus or other capitalisation issues) and the issue of Shares arising from

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

the conversion or exercise of such securities or rights, issued subsequent to the issue of Warrants, whether by itself or together with any other issues; or

- 5.3.6 an issue (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3, and other than an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend or an issue of Shares arising from rights of conversion into, or exchange or subscription for Shares) by the Company of Shares, or issue or grant (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3) rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, or issue any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares.
- 5.4 If any offer or invitation for Shares is made by any person (the "**Offeror**") otherwise than by the Company to the Shareholders, then the Company shall
- 5.4.1 inform the Offeror of its obligation to the Warrantholders;
- 5.4.2 so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable; and
- 5.4.3 notify the Warrantholders as soon as practicable of the offer or invitation by the Offeror so as to give the Warrantholders sufficient time to exercise their Warrants in accordance with these Conditions,
- provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Deed Poll.
- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (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 one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.6 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 Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. 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 be readjusted to the amount prevailing immediately prior to the First

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

Adjustment with effect from such date and in such manner as an Approved Bank may consider appropriate.

- 5.7 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 Warrantheader 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 Warrantheader 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 or absence of 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. For the purpose of this Condition 5.7 and notwithstanding anything to the contrary in the Conditions, any adjustment or absence of an adjustment considered by the Approved Bank (or in the absence of an Approved Bank, the Directors) that constitutes a material alteration to the Conditions and is to the advantage of the Warrantheaders shall be approved by the Shareholders, except where the alterations are made pursuant to the terms of the Conditions other than this Condition 5.7.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantheaders in accordance with Condition 11 that the Exercise Price and/or the number of Warrants held by each Warrantheader 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:
- 5.8.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.8.2 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 Warrantheader, send a copy thereof to any Warrantheader. Whenever there is an adjustment to the number of Warrants held by each Warrantheader, the Company will, as soon as practicable but not later than seven (7) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantheader, at the risk and expense of that Warrantheader, 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 Warrantheader as a result of an adjustment which is cancelled, revoked or not completed and the number of Warrants held by each Warrantheader is readjusted pursuant to Condition 5.6, such

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.

- 5.9 If the Directors, the Approved Bank and 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 (save for manifest error) and no certification by the Auditors shall in such circumstances be necessary.
- 5.10 Without prejudice to the generality of Condition 5.7, 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 Warrantholder shall be adjusted accordingly.
- 5.11 Any additional 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 these Conditions.
- 5.12 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 Warrantholders and all other persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder 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.
- 5.14 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 Warrantholders 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.”

For the purposes of **Condition 5** above, the following definitions shall apply:

“**Approved Bank**” means a bank or a merchant bank in Singapore selected by the Directors.

“**Auditors**” means the auditors for the time being of the Company or, in the event of their being unable or unwilling to carry out any action required of them pursuant to the Deed Poll or these Conditions, such other auditors as may be nominated by the Company.

“**CDP**” or “**Depository**” means The Central Depository (Pte) Limited.

**APPENDIX C – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-SECURITYHOLDERS)**

“**Conditions**” means the terms and conditions of the Warrants as the same may from time to time be modified in accordance with the provisions set out in the Deed Poll and “**Condition**” refers to the relative numbered paragraphs of the Conditions.

“**Deed Poll**” means the Warrants (2018-Securityholders) Deed Poll.

“**Depositor**” shall have the meaning ascribed to it in the Securities and Futures Act, Chapter 289 of Singapore.

“**Depository Register**” means the register maintained by CDP in respect of the Warrants registered in the name of CDP and held by CDP for the Depositors.

“**Exercise Price**” means the Warrants (2018-Securityholders) Exercise Price.

“**Last Dealt Price**” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on SGX-ST.

“**Warrantholder(s)**” in relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant, except that where the registered holder is CDP, it shall mean the persons named in the Depository Register against which such Warrants are credited;

“**Warrants**” means (i) the Warrants (2018-Securityholders); (ii) such further warrants (if any) as may be required or permitted to be issued by the Company in accordance with Condition 5 (such further warrants to rank *pari passu* with the Warrants (2018-Securityholders) and for all purposes to form part of the same series), each such additional warrant entitling the holder thereof to subscribe for one (1) new Share at such price as may be determined in accordance with Condition 5, upon and subject to the Conditions, and for the time being remaining unexercised, as the context may require, a specific number thereof and includes any replacement warrant issued pursuant to Condition 9.

“**Warrant Register**” means the register of Warrantholders required to be maintained pursuant to Condition 4.7.

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

Condition 4(k) of the terms and conditions of the Amended Series 008 Securities, as set out in the Supplemental Trust Deeds, provides for the circumstances in which the Series 008 Securities Conversion Price may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“4(k)(iv) Adjustments to Conversion Price

The Conversion Price will be subject to adjustment in the following events:

- (A) *Consolidation, Subdivision or Reclassification:* If and whenever there shall be an alteration to the number of Shares in issue as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Shares in issue immediately before such alteration; and
- B is the aggregate number of Shares in issue immediately after such alteration.

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

- (B) *Capitalisation of profits or reserves:*

- (1) If and whenever the Issuer shall issue any Shares credited as fully paid to the holders of the Shares (the “**Shareholders**”) by way of capitalisation of profits or reserves, including Shares paid up out of distributable profits or reserves (including a free distribution or bonus issue of Shares) other than a Scrip Dividend and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Shares in issue immediately before such issue; and
- B is the number of Shares in issue immediately after such issue.

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

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

- (2) In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price (as defined in **Condition 4(k)(iv)(C)**) of such Shares on the last full Trading Day preceding the date of announcement of the terms of such issue exceeds the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the aggregate number of Shares in issue immediately before such Scrip Dividend;
- B is the aggregate number of Shares issued by way of such Scrip Dividend multiplied by a fraction which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is such Current Market Price of the Shares issued by way of Scrip Dividend in respect of each existing Share in lieu of the whole, or the relevant part, of the Relevant Cash Dividend; and
- C is the aggregate number of Shares issued by way of such Scrip Dividend.

or by making such other adjustment to the Conversion Price to give effect to the foregoing as an Independent Adviser shall certify to the Trustee is fair and reasonable.

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

- (C) *Capital Distribution*: If and whenever the Issuer shall pay or make any Capital Distribution to the Shareholders (except where the Conversion Price falls to be adjusted under **Condition 4(k)(iv)(B)** above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which the Capital Distribution is publicly announced; and

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

B is the Fair Market Value on the date of such announcement of the portion of the Capital Distribution attributable to one Share.

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

(D) *Rights Issues of Shares or Options over Shares:* If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at less than 90 per cent. of the Current Market Price per Share on the last full Trading Day preceding the date of the announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

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

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

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant of such rights, options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be), or if a Record Date is fixed therefor, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be on the Relevant Stock Exchange.

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

$$\frac{A - B}{A}$$

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

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

(F) [INTENTIONALLY OMITTED]

(G) [INTENTIONALLY OMITTED]

(H) [INTENTIONALLY OMITTED]

(I) *Other Offers to Shareholders:* If and whenever the Issuer or any Subsidiary or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary) any other company, person or entity issues, sells or distributes any securities in connection with which an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under **Conditions 4(k)(iv)(D) or 4(k)(iv)(E)**), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the last full Trading Day preceding the date on which such issue is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

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

(J) *Other Events:* In the event any adjustment to the Conversion Price is proposed or required to be made as a result of one or more events or circumstances not referred to in this **Condition 4(k)(iv)**, the Issuer shall at its own expense request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Adviser such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that where the events or circumstances giving rise to any adjustment pursuant to this **Condition 4(k)(iv)** have already resulted or will result in an adjustment to the

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this **Condition 4(k)(iv)** as may be advised by the Independent Adviser to be in its opinion appropriate to give the intended result. The Issuer in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Issuer from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Issuer as at the date of execution of this Agreement, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per Share value of such adjustment cannot exceed the per Share value of the dilution to the Shareholder's interest in the equity of the Issuer (based on the Shares comprised in the unexercised options held by such Shareholder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

Condition 4(k)(v) Definitions

In these Conditions:

- (A) **“Capital Distribution”** means (1) any distribution of assets *in specie* by the Issuer for any financial period whenever paid or made and however described (and for these purposes a distribution of assets *in specie* includes without limitation an issue of Shares or other securities credited as fully or partly paid (other than Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect thereof under **Condition 4(k)(B)(1)**) by way of capitalisation of reserves, but excludes a Scrip Dividend to the extent an adjustment to the Conversion Price is made in respect thereof under **Condition 4(k)(B)(2)**), and (2) any cash dividend or distribution of any kind by the Issuer relating to the Shares for any financial period whenever paid or made and however described, including (without limitation) any Scrip Dividend to the extent of the Relevant Cash Dividend, excluding any dividend or distribution for that financial period to the extent that it does not (when taken together with any other Relevant Cash Dividends previously made or paid in respect of that financial period) exceed 20 per cent. of the Market Capitalisation of the Issuer at the time of announcement of such Relevant Cash Dividend, for each such financial period.
- (B) **“Closing Price”** for the Shares for any Trading Day shall be the closing market price quoted by the SGX-ST for such Trading Day.
- (C) **“Current Market Price”** means, in respect of a Share at a particular time on a particular date, the average of the daily Closing Price quoted by the SGX-ST for one Share for the five consecutive Trading Days ending on and including the Trading Day immediately preceding such date; provided that if at any time during the said five Trading Day period the Shares shall have been quoted ex-dividend (or ex-any other entitlement) and during some other part of that period the Shares shall have been quoted cum-dividend (or cum-any other entitlement) then:
- (1) if the Shares to be issued, transferred or delivered in such circumstances do not rank for the dividend (or other entitlement) in question, the quotations on the dates on which the Shares shall have

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

been quoted cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the amount of that dividend (or other entitlement) per Share; or

- (2) if the Shares to be issued, transferred or delivered in such circumstances rank for the dividend (or other entitlement) in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of the amount of that dividend (or other entitlement) per Share,

and provided further that if the Shares on each of the said five Trading Days have been quoted cum-dividend (or cum-any other entitlement) in respect of a dividend (or other entitlement) which has been declared or announced but the Shares to be issued, transferred or delivered do not rank for that dividend (or other entitlement), the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend (or other entitlement) per Share.

- (D) **“Employee Share Scheme”** means any scheme involving the issue, offer or grant (with or without consideration) by the Issuer or any of its subsidiaries of rights or options over Shares or other securities of the Issuer or any of its subsidiaries to, or for the benefit of, specified participants (including, without limitation, employees (including directors) or former employees of the Issuer, its subsidiaries and/or associated companies, or persons related to such employees (including directors) and former employees) of such schemes or any arrangement involving the issue, offer or grant of rights or options (with or without consideration) to participants over Shares or other securities of the Issuer or any of its subsidiaries which is analogous to an Employee Share Scheme provided such scheme is in compliance with the listing rules of the SGX-ST.
- (E) **“Fair Market Value”** means, with respect to any assets, securities, options, warrants or other rights on any date, the fair market value of that asset, security, option, warrant or other right as determined in good faith by an Independent Adviser; provided that (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily Closing Prices of such options, warrants or other rights during the period of five Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded.
- (F) **“Independent Adviser”** means a licensed independent investment bank or an independent auditing firm (acting as an expert) of international repute selected and paid for by the Issuer.
- (G) **“Market Capitalisation”** on any date means the product of (1) the Current Market Price on such date and (2) the total number of Shares issued and outstanding on such date;
- (H) **“Relevant Cash Dividend”** means the aggregate cash dividend or distribution declared by the Issuer, including any cash dividend in respect of which there is any Scrip

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

- Dividend (which, for the avoidance of doubt, shall exclude a purchase or redemption of Shares, but include the Relevant Cash Dividend component of a Scrip Dividend).
- (I) **“Relevant Stock Exchange”** means the SGX-ST or, in the case of Shares or other securities if they are not at the time listed and traded on the SGX-ST, the principal stock exchange or securities market on which the Shares or other securities are then listed or quoted or dealt in.
- (J) **“REPS”** means the 300 redeemable exchangeable preference shares issued by a Subsidiary of the Issuer and convertible into Shares.
- (K) **“Scrip Dividend”** means where Shares are issued in lieu of the whole or any part of any Relevant Cash Dividend, being a dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution (and for the avoidance of doubt to the extent that no adjustment is to be made under **Condition 4(k)(C)** in respect of the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend of part thereof) but without any prejudice to any adjustment required in such circumstances to be made under **Condition 4(k)(B)(2)**.
- (L) [Intentionally omitted.]
- (M) **“Shares”** means the ordinary shares of the Issuer.
- (N) **“Trading Day”** means a day when the Relevant Stock Exchange is open for business and on which the Shares or other securities may be dealt in, provided that if no Closing Price is reported in respect of the relevant Shares or other securities on the Relevant Stock Exchange for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days.
- (O) **“Warrants (2016)”** means the 355,099,387 warrants to subscribe for 355,099,387 new Shares of the Issuer that were issued subject to and with the benefit of a deed poll dated 13 April 2016 and executed by the Issuer.
- (P) **“Warrants (2018-Shareholders)”** means the up to 1,244,306,043 warrants proposed to be issued by the Issuer to its Shareholders, subject to the passing of the extraordinary resolutions to be proposed to the Issuer’s shareholders at an extraordinary general meeting scheduled to be convened.
- (Q) **“Warrants (2018-Securityholders)”** means the up to 452,500,000 warrants proposed to be issued by the Issuer free to holders of the Refinancing Series B Convertible Bonds and Perpetual Securityholders who exercise the Conversion Right with respect to each S\$50,000 in principal amount of such securities (1) on or prior to the date that is 60 days after the issue date of the Refinancing Series B Convertible Bonds or the Effective Date, as the case may be, (in which case 50,000 warrants will be issued) or (2) after 60 days but on or prior to six months after such issue date or effective date (in which case 25,000 warrants will be issued).

Condition 4(k)(vi) Miscellaneous

For the purposes of these Conditions:

- (A) On any adjustment, the relevant Conversion Price shall be rounded down to the nearest S\$0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has been rounded down, shall be carried

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given to Perpetual Securityholders in accordance with **Condition 14** as soon as practicable after the determination thereof.

- (B) Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of the Independent Adviser, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Adviser to be in its opinion appropriate in order to give such intended result.
- (C) No adjustment will be made to the Conversion Price when Shares or other securities (including rights or options) are issued, offered or granted:
- (a) in connection with the issuance of any additional Refinancing Series B Convertible Bonds after the original issue date of the initial tranche of the Refinancing Series B Convertible Bonds;
 - (b) in connection with the Warrants (2016), Warrants (2018-Unsecured Lenders), Warrants (2018-Shareholders) and Warrants (2018-Securityholders) (including the issue of Shares upon the exercise of such warrants);
 - (c) pursuant to the conversion of the REPS;
 - (d) pursuant to any Employee Share Scheme;
 - (e) in connection with the amendment of the terms and conditions of the Perpetual Securities and the issue of Shares upon exercise of the conversion rights relating to the Perpetual Securities; or
 - (f) pursuant to the conversion of the Refinancing Series B Convertible Bonds.
- (D) No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in **Condition 4(k)(A)** or to correct a manifest error. For the avoidance of doubt, any reset of the Conversion Price in accordance with **Condition 4(k)(iii)** may result in the reset Conversion Price to be above the Conversion Price prior to the reset.
- (E) If the Issuer fails to select an Independent Adviser when required for the purposes of **Condition 4(k)(iv)**, the Issuer shall notify the Trustee immediately, and if so notified, or where the Trustee is otherwise notified in writing of such failure of the Issuer to select the Independent Adviser, the Trustee may select such an adviser (which may be a related corporation of the Trustee) with the approval of the Perpetual Securityholders by way of Extraordinary Resolution and shall have no liability to any person in respect of such selection. For the avoidance of doubt, the Trustee shall have no obligation to convene a meeting of Perpetual Securityholders or to select an Independent Adviser unless so directed by Extraordinary Resolution and subject to being indemnified and/or secured and/or prefunded to its satisfaction.
- (F) For the avoidance of doubt, the Trustee and the Agents shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price and will not be responsible to Perpetual Securityholders for any loss arising from any failure by it to do so. The Trustee and the Agents shall be under no obligation to calculate, determine or verify the number of Shares to be issued upon conversion of the Perpetual Securities or verify the Issuer's or the Independent Adviser's determination of such number of Shares or method used in such determination and neither the Trustee nor the Agents shall be responsible to Perpetual Securityholders or any other person for any loss arising from

**APPENDIX D – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
AMENDED SERIES 008 SECURITIES**

any failure to do so or for any delay of the Issuer or the Independent Adviser in making such determination or any erroneous determination by the Issuer or the Independent Adviser.

APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-Secured Lenders)

Condition 5 of the terms and conditions of the Warrants (2018-Secured Lenders), as set out in the Warrants (2018-Secured Lenders) Deed Poll, provides for the circumstances in which the Warrants (2018-Secured Lenders) Exercise Price and the number of Warrants (2018-Secured Lenders) held by the Warrant (2018-Secured Lenders) Holders may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

5.1 The Exercise Price and the number of Warrants held by each Warrantholder 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 Warrantholder shall subject to Conditions 5.3 and 5.4 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 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 but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) to the Shareholders;

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 the Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or

5.1.4 any consolidation, subdivision, reclassification or conversion of Shares.

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 5.1.4 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 (or in the absence of an Approved Bank, by the Directors) 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:

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

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

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

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 (as may be adjusted from time to time in accordance with these Conditions).

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.

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 whereunder they may acquire or subscribe for Shares by way of rights or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares,

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:

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

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

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

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).

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

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.

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.

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

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

5.2.4 If, and whenever, consolidation, subdivision, reclassification or conversion of the shares occurs, the Exercise Price and the number of Warrants 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:

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

where:

A = as in A above;

B = as in B above;

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 or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;

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

5.3.5 any issue by the Company of securities convertible into Shares or rights, options, warrants or other rights to acquire or subscribe for or purchase Shares (other than arising from or

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

by way of rights, bonus or other capitalisation issues) 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 issues; or

- 5.3.6 an issue (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3, and other than an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend or an issue of Shares arising from rights of conversion into, or exchange or subscription for Shares) by the Company of Shares.
- 5.4 If any offer or invitation for Shares is made by any person (the "**Offeror**") otherwise than by the Company to the Shareholders, then the Company shall
- 5.4.1 inform the Offeror of its obligation to the Warrantheolders;
- 5.4.2 so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantheolders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable; and
- 5.4.3 notify the Warrantheolders as soon as practicable of the offer or invitation by the Offeror so as to give the Warrantheolders sufficient time to exercise their Warrants in accordance with these Conditions,

provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Deed Poll.

- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (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 one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.6 Any adjustment to the number of Warrants held by each Warrantheolder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warrantheolder 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 Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. 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 Warrantheolder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantheolder shall 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.

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

- 5.7 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 or absence of 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. For the purpose of this Condition 5.7 and notwithstanding anything to the contrary in the Conditions, any adjustment or absence of an adjustment considered by the Approved Bank (or in the absence of an Approved Bank, the Directors) that constitutes a material alteration to the Conditions and is to the advantage of the Warrantholders shall be approved by the Shareholders, except where the alterations are made pursuant to the terms of the Conditions other than this Condition 5.7.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 10 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:
- 5.8.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.8.2 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, 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 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 5.6, such Additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.9 If the Directors, the Approved Bank and the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive (save for manifest error) and no certification by the Auditors shall in such circumstances be necessary.

- 5.10 Without prejudice to the generality of Condition 5.7, 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 Warrantholder shall be adjusted accordingly.
- 5.11 Any additional 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 these Conditions.
- 5.12 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 Warrantholders and all other persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder 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.
- 5.14 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 Warrantholders 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.”

For the purposes of **Condition 5** above, the following definitions shall apply:

“**Approved Bank**” means a bank or a merchant bank in Singapore selected by the Directors.

“**Auditors**” means the auditors for the time being of the Company or, in the event of their being unable or unwilling to carry out any action required of them pursuant to the Deed Poll or these Conditions, such other auditors as may be nominated by the Company.

“**Conditions**” means the terms and conditions of the Warrants as the same may from time to time be modified in accordance with the provisions set out in the Deed Poll and “**Condition**” refers to the relative numbered paragraphs of the Conditions.

“**Deed Poll**” means the Warrants (2018-Secured Lenders) Deed Poll.

“**Exercise Price**” means the Warrants (2018-Secured Lenders) Exercise Price.

**APPENDIX E – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-Secured Lenders)**

“Last Dealt Price” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on SGX-ST.

“Warrantholder” in relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant.

“Warrants” means (i) the Warrants (2018-Secured Lenders); (ii) such further warrants (if any) as may be required or permitted to be issued by the Company in accordance with Condition 5 (such further warrants to rank *pari passu* with the Warrants (2018-Secured Lenders) and for all purposes to form part of the same series), each such additional warrant entitling the holder thereof to subscribe for one (1) new Share at such price as may be determined in accordance with Condition 5, upon and subject to the Conditions, and for the time being remaining unexercised, as the context may require, a specific number thereof and includes any replacement warrant issued pursuant to Condition 9.

“Warrant Register” means the register of Warrantholders required to be maintained pursuant to Condition 4.7.

APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE WARRANTS (2018-UNSECURED LENDERS)

Condition 5 of the terms and conditions of the Warrants (2018-Unsecured Lenders), as set out in the Warrants (2018-Unsecured Lenders) Deed Poll, provides for the circumstances in which the Warrants (2018-Unsecured Lenders) Exercise Price and the number of Warrants (2018-Unsecured Lenders) held by the Warrant (2018-Unsecured Lenders) Holders may be adjusted and the adjustment formulae applicable to each of the circumstances.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the Circular.

“5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

- 5.1 The Exercise Price and the number of Warrants held by each Warrantholder 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 Warrantholder shall subject to Conditions 5.3 and 5.4 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 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 but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) to the Shareholders;
 - 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 the Shareholders under which they may acquire or subscribe for Shares by way of rights, or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares; or
 - 5.1.4 any consolidation, subdivision, reclassification or conversion of Shares.
- 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 5.1.4 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 (or in the absence of an Approved Bank, by the Directors) 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:

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

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

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

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 (as may be adjusted from time to time in accordance with these Conditions).

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.

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 whereunder they may acquire or subscribe for Shares by way of rights or issue or grant to the Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares,

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:

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

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

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

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).

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

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.

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.

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

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

5.2.4 If, and whenever, consolidation, subdivision, reclassification or conversion of the shares occurs, the Exercise Price and the number of Warrants 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:

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

where:

A = as in A above;

B = as in B above;

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 or associated companies pursuant to any purchase or option scheme approved by the Shareholders in general meeting;

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

5.3.5 any issue by the Company of securities convertible into Shares or rights, options, warrants or other rights to acquire or subscribe for or purchase Shares (other than arising from or

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

by way of rights, bonus or other capitalisation issues) 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 issues; or

- 5.3.6 an issue (otherwise than pursuant to a rights issue available to all the Shareholders, requiring an adjustment under Condition 5.1.3, and other than an issue of Shares in respect of which Shareholders may elect to receive Shares in lieu of cash or other dividend or an issue of Shares arising from rights of conversion into, or exchange or subscription for Shares) by the Company of Shares.
- 5.4 If any offer or invitation for Shares is made by any person (the "**Offeror**") otherwise than by the Company to the Shareholders, then the Company shall
- 5.4.1 inform the Offeror of its obligation to the Warrantholders;
- 5.4.2 so far as it is able to procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for New Shares had been exercised the day immediately preceding the date on which as at the close of business the Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable; and
- 5.4.3 notify the Warrantholders as soon as practicable of the offer or invitation by the Offeror so as to give the Warrantholders sufficient time to exercise their Warrants in accordance with these Conditions,

provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Conditions or the Deed Poll.

- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (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 one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.6 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 Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. 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 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.

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

- 5.7 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 or absence of 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. For the purpose of this Condition 5.7 and notwithstanding anything to the contrary in the Conditions, any adjustment or absence of an adjustment considered by the Approved Bank (or in the absence of an Approved Bank, the Directors) that constitutes a material alteration to the Conditions and is to the advantage of the Warranholders shall be approved by the Shareholders, except where the alterations are made pursuant to the terms of the Conditions other than this Condition 5.7.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warranholders in accordance with Condition 10 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:
- 5.8.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.8.2 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, 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 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 5.6, such Additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.9 If the Directors, the Approved Bank and the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive (save for manifest error) and no certification by the Auditors shall in such circumstances be necessary.

- 5.10 Without prejudice to the generality of Condition 5.7, 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 Warrantholder shall be adjusted accordingly.
- 5.11 Any additional 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 these Conditions.
- 5.12 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 Warrantholders and all other persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder 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.
- 5.14 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 Warrantholders 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.”

For the purposes of **Condition 5** above, the following definitions shall apply:

“**Approved Bank**” means a bank or a merchant bank in Singapore selected by the Directors.

“**Auditors**” means the auditors for the time being of the Company or, in the event of their being unable or unwilling to carry out any action required of them pursuant to the Deed Poll or these Conditions, such other auditors as may be nominated by the Company.

“**Conditions**” means the terms and conditions of the Warrants as the same may from time to time be modified in accordance with the provisions set out in the Deed Poll and “**Condition**” refers to the relative numbered paragraphs of the Conditions.

“**Deed Poll**” means the Warrants (2018-Unsecured Lenders) Deed Poll.

“**Exercise Price**” means the Warrants (2018-Unsecured Lenders) Exercise Price.

**APPENDIX F – ADJUSTMENT EVENTS UNDER THE TERMS AND CONDITIONS OF THE
WARRANTS (2018-UNSECURED LENDERS)**

“Last Dealt Price” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on SGX-ST.

“Warrantholder” in relation to any Warrant, the person or persons for the time being registered in the Warrant Register as the holder or joint holders of that Warrant.

“Warrants” means (i) the Warrants (2018-Unsecured Lenders); (ii) such further warrants (if any) as may be required or permitted to be issued by the Company in accordance with Condition 5 (such further warrants to rank *pari passu* with the Warrants (2018-Unsecured Lenders) and for all purposes to form part of the same series), each such additional warrant entitling the holder thereof to subscribe for one (1) new Share at such price as may be determined in accordance with Condition 5, upon and subject to the Conditions, and for the time being remaining unexercised, as the context may require, a specific number thereof and includes any replacement warrant issued pursuant to Condition 9.

“Warrant Register” means the register of Warrantholders required to be maintained pursuant to Condition 4.7.

NOTICE OF EXTRAORDINARY GENERAL MEETING

EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 28 July 1999)
(Company Registration Number: 199904364E)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Ezion Holdings Limited (the “**Company**”) will be held at Tee Garden, Warren Golf & Country Club, 81 Choa Chu Kang Way, Singapore 688263 on 28 March 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolution:

*All capitalised terms in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 12 March 2018 (the “**Circular**”).*

ORDINARY RESOLUTION 1: THE PROPOSED TRANSACTIONS

THAT:

- (A) the proposed issue of an aggregate principal amount of S\$333,000,000 0.25% Series B Convertible Bonds due 2023 (the “**Series B Convertible Bonds**”) by the Company to the Securityholders (other than the Securityholders of the Series 008 Securities) (the “**Proposed Bonds Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
- (a) create and issue to the Securityholders (other than the Securityholders of the Series 008 Securities) an aggregate principal amount of S\$333,000,000 0.25% Series B Convertible Bonds, such Series B Convertible Bonds to be convertible, at the option of the holder thereof, into new ordinary shares of the Company (the “**Series B Conversion Shares**”) at the Series B Conversion Price, subject to certain adjustments in accordance with the terms and conditions of the Series B Convertible Bonds as set out in the Refinancing Bonds Trust Deed;
 - (b) allot and issue:
 - (i) such number of Series B Conversion Shares as may be required or permitted to be allotted or issued on the conversion of the Series B Convertible Bonds, to the Series B Bondholders, on the conversion thereof, subject to and otherwise in accordance with the terms and conditions of the issue of the Series B Convertible Bonds, whereby such Series B Conversion Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant conversion date in respect of the Series B Convertible Bonds and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares; and
 - (ii) on the same basis as paragraph (b)(i) above, such further Series B Conversion Shares as may be required to be allotted and issued on the conversion of any of the Series B Convertible Bonds upon the adjustment of the Series B Conversion Price in accordance with the terms and conditions of the Series B Convertible Bonds as set out in the Refinancing Bonds Trust Deed,
- (B) the proposed Warrants (2018-Shareholders) issue of 1,244,306,043 free warrants (the “**Warrants (2018-Shareholders)**”), each Warrant (2018-Shareholders) carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant (2018-Shareholders) Share**”) at the Warrants (2018-Shareholders) Exercise Price, on the basis of

NOTICE OF EXTRAORDINARY GENERAL MEETING

three (3) Warrants (2018-Shareholders) for every five (5) existing ordinary shares in the capital of the Company (“**Shares**”) held by shareholders of the Company (“**Shareholders**”) as at a date and time to be determined by the Directors for the purpose of determining the Shareholders’ entitlement (the “**Warrants (2018-Shareholders) Books Closure Date**”) (the “**Proposed Warrants (2018-Shareholders) Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:

- (a) create and issue:
 - (i) 1,244,306,043 Warrants (2018-Shareholders) in registered form to be issued free, each Warrant (2018-Shareholders) to entitle the holder thereof to subscribe for one (1) Warrant (2018-Shareholders) Share at the Warrants (2018-Shareholders) Exercise Price for each Warrant (2018-Shareholders) Share at any time during the period commencing on and including the date of Trading Resumption and expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of Trading Resumption, subject to the terms and conditions of the deed poll (the “**Warrants (2018-Shareholders) Deed Poll**”) constituting the Warrants (2018-Shareholders) to be executed by the Company on such terms and conditions as the Directors may think fit; and
 - (ii) such further Warrants (2018-Shareholders) as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants (2018-Shareholders) Deed Poll (any such further Warrants (2018-Shareholders) to rank *pari passu* with the Warrants (2018-Shareholders) and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Warrants (2018-Shareholders) Deed Poll);
- (b) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
 - (i) 1,244,306,043 Warrant (2018-Shareholders) Shares upon the exercise of the Warrants (2018-Shareholders), credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Warrants (2018-Shareholders) Deed Poll, such Warrant (2018-Shareholders) Shares (when issued and paid) to rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Shareholders) and, subject as aforesaid, to rank *pari passu* in all respects with the then existing Shares; and
 - (ii) on the same basis as paragraph (b)(i) above, such further Warrant (2018-Shareholders) Shares as may be required to be allotted and issued on the exercise of any of the Warrants (2018-Shareholders) issued in accordance with paragraph (a)(ii) above,

on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:

- (i) the issue of Warrants (2018-Shareholders) shall be made to Shareholders whose names appear in the Register of Members or the records of the Central Depository (Pte) Limited (the “**CDP**”) as at the Warrants (2018-Shareholders)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Books Closure Date with registered addresses in Singapore or who have, at least three (3) Market Days prior to the Warrants (2018-Shareholders) Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents;

- (ii) no issue of the Warrants (2018-Shareholders) shall be made in favour of Shareholders with registered addresses outside Singapore as at the Warrants (2018-Shareholders) Books Closure Date or who have not, at least three (3) Market Days prior thereto, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the **"Foreign Shareholders"**);
 - (iii) the issue of Warrants (2018-Shareholders) which would otherwise accrue to Foreign Shareholders shall be dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and
 - (iv) the issue of Warrants (2018-Shareholders) not allotted for any reason (other than allotments to Foreign Shareholders referred to above) shall be allotted or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company,
- (C) the proposed warrants issue of up to 452,500,000 free warrants (the **"Warrants (2018-Securityholders)"**) to Series B Bondholders or Amended Series 008 Securityholders who exercise their conversion rights during the Early Conversion Period, each Warrant (2018-Securityholders) carrying the right to subscribe for one (1) new Share (the **"Warrant (2018-Securityholders) Share"**) at the exercise price of S\$0.2763 per Warrant (2018-Securityholders) Share (the **"Warrants (2018-Securityholders) Exercise Price"**) (the **"Proposed Warrants (2018-Securityholders) Issue"**), be and is hereby approved and authority be and is hereby given to the Directors to:
- (a) create and issue:
 - (i) up to 452,500,000 Warrants (2018-Securityholders) in registered form to be issued free, each Warrant (2018-Securityholders) to entitle the holder thereof to subscribe for one (1) Warrant (2018-Securityholders) Share at the Warrants (2018-Securityholders) Exercise Price for each Warrant (2018-Securityholders) Share at any time during the period commencing on and including the issue date of the Warrants (2018-Securityholders) and expiring at 5:00 p.m. (Singapore time) on the date falling 24 months from the issue date of the Series B Convertible Bonds or the effective date of the amendments to the Series 008 Securities, as the case may be, subject to the terms and conditions of the deed poll (the **"Warrants (2018-Securityholders) Deed Poll"**) constituting the Warrants (2018-Securityholders) to be executed by the Company on such terms and conditions as the Directors may think fit; and
 - (ii) such further Warrants (2018-Securityholders) as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants (2018-Securityholders) Deed Poll (any such further Warrants (2018-Securityholders) to rank *pari passu* with the Warrants (2018-Securityholders) and for all purposes to form part of the same series, save as may otherwise

NOTICE OF EXTRAORDINARY GENERAL MEETING

be provided in the terms and conditions of the Warrants (2018-Securityholders) Deed Poll);

- (b) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
 - (i) up to 452,500,000 Warrant (2018-Securityholders) Shares upon the exercise of the Warrants (2018-Securityholders), credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Warrants (2018-Securityholders) Deed Poll, such Warrant (2018-Securityholders) Shares (when issued and paid) to rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Securityholders) and, subject as aforesaid, to rank *pari passu* in all respects with the then existing Shares; and
 - (ii) on the same basis as paragraph (b)(i) above, such further Warrant (2018-Securityholders) Shares as may be required to be allotted and issued on the exercise of any of the Warrants (2018-Securityholders) issued in accordance with paragraph (a)(ii) above,

- (D) the proposed issue of up to 480,498,592 new Shares (the “**Series 008 Securities Conversion Shares**”) to Amended Series 008 Securityholders who exercise their conversion rights in respect of the S\$119,500,000 in aggregate principal amount of Series 008 Securities, the terms of which are amended by the Supplemental Trust Deeds (the “**Amended Series 008 Securities**”) at the Series 008 Securities Conversion Price, subject to certain adjustments in accordance with the terms and conditions of the Amended Series 008 Securities as set out in the Supplemental Trust Deeds (the “**Proposed Series 008 Securities Conversion Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
 - (a) allot and issue such number of Series 008 Securities Conversion Shares as may be required or permitted to be allotted or issued on the conversion of the Amended Series 008 Securities, to the Amended Series 008 Securityholders, on the conversion thereof, subject to and otherwise in accordance with the terms and conditions of the issue of the Amended Series 008 Securities, whereby such Series 008 Securities Conversion Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant conversion date in respect of the Amended Series 008 Securities and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares; and
 - (b) on the same basis as paragraph (a) above, allot and issue such further Series 008 Securities Conversion Shares as may be required to be allotted and issued on the conversion of any of the Amended Series 008 Securities upon the adjustment of the Series 008 Securities Conversion Price in accordance with the terms and conditions of the Amended Series 008 Securities as set out in the Supplemental Trust Deeds,

- (E) the proposed issue of up to 38,113,207 new Shares (the “**Interest Shares**”) by the Company to (i) Securityholders other than holders of the Series 008 Securities who have elected to receive Series B Convertible Bonds and (ii) holders of the Series 008 Securities who have elected to continue to hold the Amended Series 008 Securities in lieu of the Accrued Interest, at the issue price of S\$0.2763 per Interest Share (the “**Proposed Interest Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (a) allot and issue such number of Interest Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the terms and conditions of the issue of the Interest Shares, whereby such Interest Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Interest Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares;
- (F) the proposed issue of 11,442,000 Securityholders Consent Shares to the Securityholders who submitted or delivered voting instructions voting in favour of the Extraordinary Resolutions in relation to such Series of Securities on or prior to 15 November 2017 to the Meeting Agent, and do not subsequently revoke or amend such instructions, at the issue price of S\$0.2763 per Securityholders Consent Share (the “**Proposed Securityholders Consent Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
- (a) allot and issue such number of Securityholders Consent Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the terms and conditions of the issue of the Securityholders Consent Shares, whereby such Securityholders Consent Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Securityholders Consent Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares;
- (G) the proposed warrants issue of up to 171,000,000 free warrants (the “**Warrants (2018-Secured Lenders)**”) to the Secured Lenders, each Warrant (2018-Secured Lenders) carrying the right to subscribe for one (1) new Share (the “**Warrant (2018-Secured Lenders) Share**”) at the Warrants (2018-Secured Lenders) Exercise Price (the “**Proposed Warrants (2018-Secured Lenders) Issue**”) per Warrant (2018-Secured Lenders) Share, be and is hereby approved and authority be and is hereby given to the Directors to:
- (a) create and issue:
- (i) up to 171,000,000 Warrants (2018-Secured Lenders) in registered form to be issued free, each Warrant (2018-Secured Lenders) to entitle the holder thereof to subscribe for one (1) Warrant (2018-Secured Lenders) Share at the Warrants (2018-Secured Lenders) Exercise Price for each Warrant (2018-Secured Lenders) Share at any time during the period commencing on and including the date of issuance of the Warrants (2018-Secured Lenders) and expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of issuance of the Warrants (2018-Secured Lenders), subject to the terms and conditions of the warrant instrument (the “**Warrants (2018-Secured Lenders) Deed Poll**”) constituting the Warrants (2018-Secured Lenders) to be executed by the Company on such terms and conditions as the Directors may think fit; and
- (ii) such further Warrants (2018-Secured Lenders) as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll (any such further Warrants (2018-Secured Lenders) to rank *pari passu* with the Warrants (2018-Secured Lenders) and for all purposes to form part of the same series, save as may

NOTICE OF EXTRAORDINARY GENERAL MEETING

otherwise be provided in the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll);

- (b) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
 - (i) up to 171,000,000 Warrant (2018-Secured Lenders) Shares upon the exercise of the Warrants (2018-Secured Lenders), credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Warrants (2018-Secured Lenders) Deed Poll, such Warrant (2018-Secured Lenders) Shares (when issued and paid) to rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Secured Lenders) and, subject as aforesaid, to rank *pari passu* in all respects with the then existing Shares; and
 - (ii) on the same basis as paragraph (b)(i) above, such further Warrant (2018-Secured Lenders) Shares as may be required to be allotted and issued on the exercise of any of the Warrants (2018-Secured Lenders) issued in accordance with paragraph (a)(ii) above,
- (H) the proposed issue of up to 65,083,500 new Shares (the “**TLF Consent Shares**”) by the Company to the Secured Lenders, at the issue price of S\$0.2763 per TLF Consent Share (the “**Proposed TLF Consent Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
 - (a) allot and issue such number of TLF Consent Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the terms and conditions of the issue of the TLF Consent Shares, whereby such TLF Consent Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the TLF Consent Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares;
- (I) the proposed warrants issue of up to 94,221,498 free warrants (the “**Warrants (2018-Unsecured Lenders)**”) to the Unsecured Lenders, each Warrant (2018-Unsecured Lenders) carrying the right to subscribe for one (1) new Share (the “**Warrant (2018-Unsecured Lenders) Share**”) at the Warrants (2018-Unsecured Lenders) Exercise Price (the “**Proposed Warrants (2018-Unsecured Lenders) Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
 - (a) create and issue:
 - (i) up to 94,221,498 Warrants (2018-Unsecured Lenders) in registered form to be issued free, each Warrant (2018-Unsecured Lenders) to entitle the holder thereof to subscribe for one (1) Warrant (2018-Unsecured Lenders) Share at the Warrants (2018-Unsecured Lenders) Exercise Price for each Warrant (2018-Unsecured Lenders) Share at any time during the period commencing on and including the date of issuance of the Warrants (2018-Unsecured Lenders) and expiring at 5:00 p.m. (Singapore time) on the date falling 60 months from the date of issuance of the Warrants (2018-Unsecured Lenders), subject to the terms and conditions of the warrant instrument (the “**Warrants**

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (2018-Unsecured Lenders) Deed Poll”) constituting the Warrants (2018-Unsecured Lenders) to be executed by the Company on such terms and conditions as the Directors may think fit; and
- (ii) such further Warrants (2018-Unsecured Lenders) as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll (any such further Warrants (2018-Unsecured Lenders) to rank *pari passu* with the Warrants (2018-Unsecured Lenders) and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll);
- (b) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
- (i) up to 94,221,498 Warrant (2018-Unsecured Lenders) Shares upon the exercise of the Warrants (2018-Unsecured Lenders), credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Warrants (2018-Unsecured Lenders) Deed Poll, such Warrant (2018-Unsecured Lenders) Shares (when issued and paid) to rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant date of exercise of the Warrants (2018-Unsecured Lenders) and, subject as aforesaid, to rank *pari passu* in all respects with the then existing Shares; and
- (ii) on the same basis as paragraph (b)(i) above, such further Warrant (2018-Unsecured Lenders) Shares as may be required to be allotted and issued on the exercise of any of the Warrants (2018-Unsecured Lenders) issued in accordance with paragraph (a)(ii) above;
- (J) the proposed issue of up to 157,000,000 new Shares (the “**Professional Fees Shares**”) by the Company to the Professional Advisor for payment of the Professional Fees in connection with the Refinancing Exercise, at the issue price of S\$0.2763 per Professional Fees Share (the “**Proposed Professional Fees Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:
- (a) allot and issue such number of Professional Fees Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the terms and conditions of the issue of the Professional Fees Shares, whereby such Professional Fees Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Professional Fees Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares;
- (K) the proposed issue of up to 100,437,500 new Shares (the “**Private Subscriber Option Shares**”) by the Company to Asdew Acquisitions Pte Ltd upon exercise of the Put Option or the Call Option (as the case may be), at either the Call Option Issue Price or the Put Option Issue Price (as the case may be) (the “**Proposed Private Subscriber Option Shares Issue**”), be and is hereby approved and authority be and is hereby given to the Directors to:

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (a) allot and issue such number of Private Subscriber Option Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the terms and conditions of the issue of the Private Subscriber Option Shares, whereby such Private Subscriber Option Shares shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the date of the issue and allotment of the Private Subscriber Option Shares and, subject as aforesaid, shall rank *pari passu* in all respects with the existing Shares,

any director of the Company be and is hereby authorised to complete and to do all acts and things as he may consider necessary, desirable or expedient to give effect to the matters referred to in the above paragraphs of this resolution and/or to give effect to this resolution, including without limitation to the foregoing, to negotiate, sign, execute and deliver all documents, approve any amendments, alterations or modifications to any document (if required) as he shall think fit and in the interests of the Company.

BY ORDER OF THE BOARD EZION HOLDINGS LIMITED

Goon Fook Wye Paul
Company Secretary
12 March 2018

Notes:

1. Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act, a member entitled to attend, speak and vote at the EGM may appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
2. Pursuant to Section 181(1C) of the Companies Act, a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies, duly executed, must be deposited at the Company's registered office at 15 Hoe Chiang Road, #12-05 Tower Fifteen Singapore 089316, not less than 48 hours before the time fixed for holding the EGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

EZION HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 28 July 1999)
(Company Registration Number: 199904364E)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "**Companies Act**"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the extraordinary general meeting ("**EGM**").
2. For investors who have used their CPF monies to buy shares in the Company ("**CPF Investors**"), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the EGM.

I/We* _____ (Name), _____ (NRIC / Passport No.)
of _____ (Address),
being a member/members* of **EZION HOLDINGS LIMITED** (the "**Company**") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the EGM, as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM to be held at Tee Garden, Warren Golf & Country Club, 81 Choa Chu Kang Way, Singapore 688263 on 28 March 2018 at 10.00 a.m., and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion.

The resolution put to the vote of the EGM shall be decided by poll. Please indicate the number of votes as appropriate.

**Delete as appropriate.*

No.	Ordinary Resolution	Number of votes FOR#	Number of votes AGAINST#
1.	To approve the Proposed Transactions		

If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this day of 2018.

Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF.

Total Number of shares held in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

NOTES:

1. Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act, a member entitled to attend, speak and vote at the EGM may appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
 2. Pursuant to Section 181(1C) of the Companies Act, a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
 3. A proxy need not be a member of the Company.
 4. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
 5. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316 not less than 48 hours before the time appointed for the EGM.
 6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
 7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
 8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
 9. The submission of an instrument or form appointing a proxy by a member does not preclude him from attending and voting in person at the EGM if he so wishes.
 10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
 11. Investors who buy Shares in the Company using CPF monies and/or SRS monies (as may be applicable) ("**CPF/SRS Investors**") may attend and cast their vote at the EGM in person. CPF/SRS Investors who are unable to attend the EGM but would like to vote, may inform CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF/SRS Investors shall be precluded from attending the EGM.
 12. By submitting an instrument appointing a proxy or proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 12 March 2018.
-

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.