

OFFER INFORMATION STATEMENT DATED 24 NOVEMBER 2017

(Lodged with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) acting as agent on behalf of the Monetary Authority of Singapore (the “Authority”) on 24 November 2017)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

The securities offered are issued by CFM Holdings Limited (the “Company”), an entity whose shares are listed for quotation on Catalist (as defined herein).

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

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

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Information Statement, the PAL, the ARE and the ARS (collectively referred as the “Documents”). Neither the Authority nor the SGX-ST assumes any responsibility for the contents of these Documents, including the correctness or accuracy of any of the statements or opinions made or reports contained herein. Neither the Authority nor the SGX-ST has, in any way, considered the merits of the securities being offered for investment. The lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, does not imply that the Securities and Futures Act (Chapter 289) of Singapore, or any other legal or regulatory requirements, or requirements in the SGX-ST’s listing rules, have been complied with.

Acceptance of applications will be conditional upon the issue of the Rights Shares (as defined below) and the listing of the Rights Shares. Monies paid in respect of any application accepted will be returned if the listing of the Rights Shares does not proceed.

An application has been made for permission for the Rights Shares to be listed for quotation on Catalist. The listing and quotation notice had been obtained from the SGX-ST on 28 September 2017 for the dealing in and listing and quotation of the Rights Shares on Catalist, subject to compliance with the SGX-ST’s listing requirements. The listing and quotation notice granted by the SGX-ST for the dealing in and listing and quotation of the Rights Shares on Catalist is in no way reflective of and is not an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and their securities. The Rights Shares will be admitted to Catalist after all certificates relating thereto have been issued and the allotment letters from The Central Depository (Pte) Limited (“CDP”) have been despatched.

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

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of Rights Shares, or allot, issue or sell any Rights Shares, on the basis of this Offer Information Statement; and no officer or equivalent person or promoter of the Company will authorise or permit the offer of any Rights Shares, or the allotment, issue or sale of any Rights Shares, on the basis of this Offer Information Statement. Your attention is drawn to the section entitled “Risk Factors” of this Offer Information Statement which you should read carefully.

This Offer Information Statement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Asian Corporate Advisors Pte. Ltd. (the “Sponsor”) for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this Offer Information Statement including the correctness of any of the figures used, statements or opinions made. The Sponsor has given its written consent to the inclusion herein of its name in the form and context in which it appears in this Offer Information Statement. The contact person for the Sponsor is Ms Foo Quee Yin, Telephone no. (65) 6221 0271.



CFM HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200003708R)

Manager of the Rights Issue

ASIAN CORPORATE ADVISORS PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200310232R)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 93,016,281 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.015 FOR EACH RIGHTS SHARE, ON THE BASIS OF SIX (6) RIGHTS SHARES FOR EVERY SEVEN (7) EXISTING ORDINARY SHARES IN THE PAID UP CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS ISSUE”)

IMPORTANT DATES AND TIMES:

Last date and time for splitting	:	6 December 2017 at 5.00 p.m.
Last date and time for acceptance and payment	:	12 December 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation and payment	:	12 December 2017 at 5.00 p.m.
Last date and time for excess application and payment	:	12 December 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications)

IMPORTANT NOTICE

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

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

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd..

For investors who hold Shares through finance companies or Depository Agents and CPFIS Shareholders, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares must be done through their respective finance companies or Depository Agents, and in the case of CPFIS Shareholders, their respective approved CPF agent banks. Any application made directly to the CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected.

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

SRS Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective account opened with the relevant approved bank under the SRS (“SRS Accounts”). Such SRS Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with the Offer Information Statement. Any application made directly to CDP or through the ATM of any Participating Bank appointed and named in this Offer Information Statement by such SRS Shareholders will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of Rights Shares directly from the market. Such SRS Shareholders should refer to important details in this Offer Information Statement relating to the offer procedure in connection with the Rights Issue. SRS Shareholders should consult their relevant approved banks regarding the terms and conditions governing such acceptances and applications, as well as the procedures that may be involved in relation to the above.

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

IMPORTANT NOTICE

The existing Shares are listed and quoted on Catalist.

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

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

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

Neither the Company, nor the Manager, nor the Sponsor is making any representation in this Offer Information Statement to any person regarding the legality of an investment in the "nil paid" Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, financial, legal or tax advice regarding an investment in the "nil paid" Rights, the Rights Shares and/or the Shares.

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

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any person other than Entitled Shareholders (and their renouces and Purchasers) to whom it is despatched by the Company or for any other purpose.

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

IMPORTANT NOTICE

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

For the avoidance of doubt, the Sponsor has not independently verified the contents of this Offer Information Statement and is not making any representation to any person regarding the accuracy and completeness of the information set out in this Offer Information Statement.

Asian Corporate Advisors Pte. Ltd., as the Manager, had given and has not withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name and all references thereto, in the form and context in which it appears in this Offer Information Statement.

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DEFINITIONS

For the purpose of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

- “Announcement”** : The announcement made by the Company on 30 June 2017 in relation to the Rights Issue
- “ARE”** : Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
- “ARS”** : Application and acceptance form for Rights Shares to be issued to Purchasers in respect of their purchase of Nil-paid Rights under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- “Associate”** : (a) In relation to any Director, the Chief Executive Officer of the Company, Substantial Shareholder or a 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% or more;
- (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% or more
- “ATM”** : Automated teller machine(s) of a Participating Bank
- “Authority”** : The Monetary Authority of Singapore
- “Books Closure Date”** : 5:00 p.m. on 23 November 2017, being the time and date at and on which the Register of Members and the share transfer books of the Company will be closed to determine, in relation to the Entitled Shareholders, their provisional allotments of Rights Shares under the Rights Issue; and in the case of Entitled Depositors, at and on which their provisional allotments of Rights Shares under the Rights Issue will be determined
- “Board”** : The board of directors of the Company as at the date of this Offer Information Statement
- “Business Day”** : A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore

DEFINITIONS

“Catalist”	:	The Catalist Board of the SGX-ST
“Catalist Rules”	:	The SGX-ST listing rules for Catalist, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	(a) 5.00 p.m. on 12 December 2017, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (b) 9.30 p.m. on 12 December 2017, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or excess application and payment of the Rights Shares under the Rights Issue through an ATM of a Participating Bank
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended, modified and supplemented from time to time
“Company”	:	CFM Holdings Limited
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended, modified, or supplemented from time to time or re-enactment thereof for the time being in force
“Constitution”	:	The constitution of the Company, as amended from time to time
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises Control over the Company
“Council” or “SIC”	:	The Securities Industry Council of Singapore
“CPF”	:	The Central Provident Fund
“CPF Board”	:	The board of the CPF established pursuant to the Central Provident Fund Act (Chapter 36) of Singapore
“CPF Funds”	:	Monies standing to the credit of the CPF savings account of CPF members under the CPFIS-OA

DEFINITIONS

“CPFIS”	:	CPF Investment Scheme
“CPFIS-OA”	:	CPF Investment Scheme — Ordinary Account
“CPFIS Shareholders”	:	Shareholders who bought Shares under the CPFIS
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for the excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement and on the screens of the ATM of the Participating Bank
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have registered addresses outside Singapore and provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date
“Entitled Scripholders”	:	Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names and (iii) registered addresses with the Share Registrar are in Singapore as at the Books Closure Date or who have registered addresses outside Singapore and provided the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date, and persons who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“Excess Applications”	:	Applications by Entitled Shareholders of Rights Shares in excess of their provisional allotments of Rights Shares
“Excess Rights Shares”	:	The provisional allotments of Rights Shares which are not taken up by the Entitled Shareholders as at the Closing Date, and which may be applied for by Entitled Shareholders in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders
“Foreign Purchasers”	:	Persons purchasing the Nil-paid Rights through the book-entry (scripless) settlement system and whose registered addresses with CDP are outside Singapore at the time of purchase
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents

DEFINITIONS

“FY”	:	Financial year ending or ended (as the case may be) 30 June
“Group”	:	The Company and its Subsidiaries
“Irrevocable Undertakings”	:	The undertakings dated 23 June 2017 given by the Undertaking Shareholders to the Company and the Manager
“Issue Price”	:	The issue price of the Rights Shares, being S\$0.015 for each Rights Share
“Latest Practicable Date”	:	17 November 2017, being the latest practicable date prior to the printing of this Offer Information Statement
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Mr Ip”	:	Mr Ip Kwok Wing
“Mdm Lim”	:	Mdm Lim Fong Li Janet
“Nil-Paid Rights”	:	The “nil-paid” provisional entitlements to subscribe for the Rights Shares under the Rights issue
“NTA”	:	Net tangible assets
“Offer Information Statement”	:	This offer information statement and, where the context admits, the PAL, the ARE, the ARS and all accompanying documents including any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue
“PAL” or “Provisional Allotment Letter”	:	The provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares under the Rights Issue of such Entitled Scripholders
“Participating Bank”	:	United Overseas Bank Limited
“Purchasers”	:	The purchasers of the provisional allotments of Rights Shares traded on Catalist under the book-entry (scripless) settlement system
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company), on which Shareholders must be registered or the Securities Accounts of Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Register of Members”	:	The register of members of the Company
“Rights Issue”	:	The renounceable non-underwritten rights issue by the Company of up to 93,016,281 Rights Shares at an issue price of S\$0.015 for each Rights Share, on the basis of six (6) Rights Shares for every seven (7) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded

DEFINITIONS

“Rights Shares”	:	Up to 93,016,281 new Shares to be allotted and issued by the Company pursuant to the Rights Issue, and each a “Rights Share”
“Rights Trading Period”	:	The trading period of the provisional allotments of Rights Shares
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“SFA” or “Securities and Futures Act”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified, or supplemented from time to time or re-enactment thereof for the time being in force
“SFR”	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to SGX-ST or any other system networks prescribed by SGX-ST
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company or, where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“Sponsor”	:	Asian Corporate Advisors Pte. Ltd.
“SRS”	:	Supplementary Retirement Scheme
“SRS Approved Banks”	:	Approved banks in which SRS Members hold their accounts under the SRS
“SRS Funds”	:	Monies standing to the credit of the SRS accounts of SRS Members under the SRS
“SRS Members”	:	Members under the SRS
“Subsidiary”	:	Has the meaning ascribed to it in section 5 of the Companies Act
“Substantial Shareholder”	:	A person who holds directly and/or indirectly 5% or more of the total issued share capital of the Company

DEFINITIONS

“S\$” and “Cents”	:	Singapore dollars and cents, respectively, the lawful currency of Singapore
“Undertaking Shareholders”	:	Mr Ip Kwok Wing and Mdm Lim Fong Li Janet
“Unit Share Market”	:	The unit share market of the SGX-ST which allows for the trading of odd lots in quantities less than the board lot size
“%” or “per cent.”	:	Percentage or per centum

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

Words importing the singular shall, where applicable, include the plural and vice versa. 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.

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

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

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

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

CORPORATE INFORMATION

BOARD OF DIRECTORS:	Ip Kwok Wing (Executive Chairman) Lim Fong Li Janet (Chief Executive Officer) Kenneth Ip Yew Wa (Executive Director) Er Kwong Wah (Lead Independent Director) Ong Wei Jin (Independent Director)
COMPANY SECRETARY:	Leong Chee Meng, Kenneth
REGISTERED OFFICE:	4 Ang Mo Kio Avenue 12 CFM Building Singapore 569498
SHARE REGISTRAR:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
MANAGER OF THE RIGHTS ISSUE/SPONSOR:	Asian Corporate Advisors Pte. Ltd. 160 Robinson Road #21-05 SBF Center Singapore 068914
LEGAL ADVISOR TO THE RIGHTS ISSUE:	Eversheds Harry Elias LLP 4 Shenton Way SGX Centre 2 #17-01 Singapore 068807
AUDITORS OF THE COMPANY:	Baker Tilly TFW LLP Chartered Accountants of Singapore 600 North Bridge Road #05-01 Parkview Square Singapore 188778 Partner: Ng Hock Lee (appointed since financial year ended 30 June 2016)

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

- Basis of provisional allotment of Rights Shares** : Six (6) Rights Shares for every seven (7) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements (if any) to be disregarded.
- Number of Rights Shares to be issued** : Up to 93,016,281 Rights Shares to be allotted and issued.
- Status of the Rights Shares** : The Rights Shares, upon allotment and issue, will rank *pari passu* in all respects with the then existing Shares and with each other, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of allotment and issue of the Rights Shares.
- Issue Price** : S\$0.015 for each Rights Share, payable in full on acceptance and/or application.
- The Issue Price represents a discount of approximately:
- (a) 50% to the closing price of S\$0.03 per Share on the SGX-ST on 29 June 2017, being the last trading day of the Shares on the SGX-ST prior to the date of the Announcement; and
 - (b) 34.8% to the theoretical ex-rights price of S\$0.023 per Share (“**Theoretical Ex-Rights Price**”). The Theoretical Ex-Rights Price per Share is calculated based on the closing market price of S\$0.03 per Share on the SGX-ST on 29 June 2017, being the last trading day of the Shares on the SGX-ST prior to the Announcement.
- Eligibility of Shareholders to Participate in the Rights Issue** : Please refer to the section “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement.
- Rationale of the Rights Issue** : The Company intends to undertake the Rights Issue to raise funds towards improving the Group’s working capital position, strengthening the Group’s financial position and thereby providing the Group with more flexibility and enhancing its ability to formulate, strategize and execute its business plans. A stronger financial position will also allow the Group to seize any opportunities for business growth and expansion into other business area in a timely manner as and when opportunities arise.
- Listing of the Rights Shares** : On 28 September 2017, the Company obtained the listing and quotation notice from the SGX-ST for the listing of and quotation for up to 93,016,281 Rights Shares on the Catalist, subject to compliance with the SGX-ST’s listing requirements. The listing and quotation notice granted by the SGX-ST for the listing of and quotation for the Rights Shares on the Catalist is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and their securities.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

- Trading of the Rights Shares and Odd Lots** : Upon the listing of and quotation for the Rights Shares on the Catalist, the Rights Shares will be traded on the Catalist under the book-entry (scripless) settlement system. For the purposes of trading on the Catalist, each board lot of Shares will consist of 100 Shares or such number as may be notified by the Company. Odd lots of Shares in board lot of one (1) Share may be traded on the Unit Share Market of the SGX-ST.
- Irrevocable Undertakings** : The Company has received the Irrevocable Undertakings, details of which are set out in paragraph 1(f) of Part X of this Offer Information Statement.
- Non-Underwritten** : The Rights Issue is not underwritten. In view of the Irrevocable Undertakings and the savings in underwriting costs which the Company will enjoy, the Company has decided to proceed with the Rights Issue without having the Rights Issue being underwritten by any financial institution.
- Estimated Net Proceeds** : The estimated net proceeds ("**Net Proceeds**") after deducting estimated expenses of approximately S\$0.1 million is expected to be approximately S\$1.3 million.
- Use of Net Proceeds** : Please refer to paragraph 3 of Part IV of the Sixteenth Schedule of the SFR entitled "**Key Information**" of this Offer Information Statement.
- Acceptance, excess application and payment procedures** : Entitled Shareholders shall be at liberty to accept, decline, renounce or trade their provisional allotments of the Rights Shares and will be eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.
- Entitlements which are not allotted or taken up for any reason (including any fractions of a Rights Share) will be aggregated and issued to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.
- In the allotment of Excess Rights Shares, preference will be given to Shareholders for rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (directly or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment or issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by the Shareholders at a general meeting.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

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

Governing Law

: Laws of the Republic of Singapore.

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Rights Issue is set out below (all references are to Singapore dates and times). For the events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Shares trade ex-rights	:	21 November 2017 from 9.00 a.m.
Books Closure Date	:	23 November 2017 at 5.00 p.m.
Despatch of Offer Information Statement (together with the ARE or PAL, as the case may be) to the Entitled Shareholders	:	28 November 2017
Commencement of trading of “nil-paid” rights	:	28 November 2017 from 9.00 a.m.
Last date and time for splitting rights	:	6 December 2017 at 5.00 p.m.
Last date and time for trading of “nil-paid” rights	:	6 December 2017 at 5.00 p.m.
Last date and time for acceptance and payment of Rights Shares	:	12 December 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications via ATM of Participating Bank)
Last date and time for acceptance of and payment for Rights Shares by renounees	:	12 December 2017 at 5.00 p.m.
Last date and time for application and payment of excess Rights Shares	:	12 December 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications via ATM of Participating Bank)
Expected date for issuance of Rights Shares	:	20 December 2017
Expected date for crediting of Rights Shares	:	20 December 2017
Expected date for refund of unsuccessful applications (if made through CDP)	:	20 December 2017
Expected date for listing and commencement of trading of Rights Shares	:	20 December 2017

Pursuant to Rule 820(1) of the Catalist Rules, the Rights Issue will not be withdrawn after the Shares have commenced ex-rights trading. Based on the above timetable, the Shares have commenced ex-rights trading on 21 November 2017 from 9.00 a.m.

The above timetable is indicative only and is subject to change. As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, upon consultation with the Manager and with the approval of the Sponsor, SGX-ST, and/or CDP, modify the above timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

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

Entitled Depositors who do not receive this Offer Information Statement and/or the ARE may obtain them from CDP during the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

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

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

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or effect any change in address must reach CDP not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days before the Books Closure Date.

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in by notifying the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days before the Books Closure Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such later date subject to the completion of the lodgement process.

For SRS Members who have subscribed for or purchased Shares under the SRS, subject to applicable SRS rules and regulations, they must use SRS Funds to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) Excess Applications.

SRS Shareholders, who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares (if applicable) using SRS Funds, must instruct their respective SRS Approved Banks to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Shareholders who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares. SRS Members are advised to provide their respective SRS Approved Banks with the appropriate instructions no later

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. **SRS Funds may not, however, be used for the purchase of the Rights Shares directly from the market. Any acceptance and/or application of the SRS Members to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected.**

CPFIS Shareholders may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the Rights Shares. CPFIS Shareholders who have acquired the Shares using their respective CPF Funds under the CPFIS-OA, can only use their respective CPF Funds to pay for the Rights Shares. In the case of insufficient CPF funds or stock limit, the CPFIS Shareholders could top up cash into their respective approved banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares directly from the market. **CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

CPFIS Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct the respective approved banks, where such CPFIS Shareholders hold their CPF investment accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement. CPFIS Shareholders are advised to provide their respective approved banks with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. **Any acceptance and/or application by CPFIS Shareholders to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application will be rejected.**

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy applications for excess Rights Shares (if any) as the Directors may, in their absolute discretion, deem fit.

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

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

2. FOREIGN SHAREHOLDERS AND FOREIGN PURCHASERS

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

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotment of the Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares renounced to him. The Company further reserves the right to reject any acceptances of the Rights Shares and/or any application for excess Rights Shares where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on Catalist as soon as practicable after dealings in the provisional allotment of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

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

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

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

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

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to

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subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.

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

TRADING

1. LISTING OF AND QUOTATION FOR THE RIGHTS SHARES

On 28 September 2017, the Company obtained the listing and quotation notice from the SGX-ST for the listing of and quotation of up to 93,016,281 Rights Shares on the Catalist, subject to certain conditions as set out in the listing and quotation notice. Please note that the listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares on Catalist are in no way reflective of and are not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its Subsidiaries and their securities.

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

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept and (if applicable) apply for Rights Shares should open Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the excess Rights Shares and have their Rights Shares credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("NRIC")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who have provided incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in the Securities Accounts currently maintained with CDP will be issued physical certificates for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. Physical certificates, if issued, will be forwarded to them by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on Catalist although they will continue to be prima facie evidence of legal title.

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

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

3. RIGHTS TRADING PERIOD

Entitled Depositors should note that the "nil-paid" Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST's unit share market.

TRADING

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the Catalist can do so for the period commencing on 28 November 2017 from 9.00 a.m., being the date and time of commencement of the “nil-paid” Rights trading period, and ending on 6 December 2017 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last date and time of the “nil-paid” Rights trading period.

4. TRADING OF ODD LOTS

Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares). Shareholders should note that most counters on the SGX-ST trade in lot sizes of 100 shares.

Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares, (i.e. less than 100 Shares) and who wish to trade in odd lots of Shares on the Catalist should note that they are able to do so on the Unit Share Market which allows trading of odd lots with a minimum of one (1) Share during the provisional allotments trading period. The market for trading of such odd lots of Shares may be illiquid. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the Catalist. Shareholders who hold odd lots of the Rights Shares (i.e. less than 100 Shares) and who wish to trade in odd lots on the Catalist should note that there is no assurance that they can acquire such number of Shares to make up one (1) board lot of 100 Shares, or to dispose of their odd lots (whether in part or in whole) on the Catalist.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute **“forward-looking statements”**. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as **“anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would”** or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, business strategy, plans and future prospects of the Group’s industry are forward looking statements. These forward-looking statements, including statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

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

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

Further, the Company, and the Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, the Company, if required, may lodge a supplementary or replacement document with the SGX-ST acting as agent on behalf of the Authority, in the event, inter alia, it becomes aware of a new circumstance that has arisen after the lodgement of this Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority, that is material or is required to be disclosed by law and/or the SGX-ST.

The Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of public companies including the Company. Except with the consent of the Council, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (ii) any person who, together with parties acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights.

such person must extend a mandatory offer immediately for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Council and/or their professional advisers immediately.

Depending on the level of acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares, the Company may, if necessary and upon the approval of the Sponsor and/or the SGX-ST, scale down acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares pursuant to the Rights Issue to avoid placing the relevant Shareholder and parties acting in concert with him (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code as a result of inter alia other Entitled Shareholders not taking up their provisional allotments of the Rights Shares fully.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II – IDENTITY OF DIRECTORS, ADVISORS AND AGENTS

DIRECTORS

- 1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.**
-

The names and addresses of each of the Directors are as follows:

Name	Address	Designation
Ip Kwok Wing	c/o 4 Ang Mo Kio Avenue 12, #05-01 CFM Building, Singapore 569498	Executive Chairman
Lim Fong Li Janet	c/o 4 Ang Mo Kio Avenue 12, #05-01 CFM Building, Singapore 569498	Chief Executive Officer
Kenneth Ip Yew Wa	c/o 4 Ang Mo Kio Avenue 12, #05-01 CFM Building, Singapore 569498	Executive Director
Er Kwong Wah	c/o 4 Ang Mo Kio Avenue 12, #05-01 CFM Building, Singapore 569498	Lead independent Director
Ong Wei Jin	c/o 4 Ang Mo Kio Avenue 12, #05-01 CFM Building, Singapore 569498	Independent Director

ADVISORS

- 2. Provide the names and addresses of:**

- (a) The issue manager to the offer, if any;**
 - (b) The underwriter to the offer, if any; and**
 - (c) The legal adviser for or in relation to the offer, if any.**
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- (a) the issue manager to the Rights Issue, if any;**

Asian Corporate Advisors Pte. Ltd.
160 Robinson Rd, #21-05 SBF Center
Singapore 068914

- (b) The underwriter to the Rights Issue, if any; and**

Nil. The Rights Issue is not underwritten.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

(c) The legal adviser for or in relation to the Rights Issue, if any.

Eversheds Harry Elias LLP.
4 Shenton Way,
#17-01 SGX Centre 2
Singapore 068807

The Company appointed Eversheds Harry Elias LLP, as legal adviser for the rights issue, and Mr Ong Wei Jin, an Independent Director of the Company, is a partner in Eversheds Harry Elias LLP.

REGISTRARS AND AGENTS

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

Share Registrar and Share Transfer Office	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623
Receiving Bank	DBS Bank Ltd 12 Marina Boulevard, Level 46 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982
Transfer Agent	Not applicable

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART III – OFFER STATISTICS AND TIMELINE

OFFER STATISTICS

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

Method of Offer	Renounceable and non-underwritten Rights Issue
Basis of Allotment	Six (6) Rights Shares for every seven (7) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be is regarded
Number of Rights Shares	Up to 93,016,281 Rights Shares

Please refer to Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) of this Offer Information Statement for more details.

METHOD AND TIMETABLE

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to —
- (a) The offer procedure; and
- (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
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Noted. Please refer to Paragraphs 3 to 7 below of this Part III.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.
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Please refer to the Section entitled “Indicative Timetable of Key Events” of this Offer Information Statement for details of the offer period of the Rights Issue.

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

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

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

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

Please refer to the section entitled "Indicative Timetable of Key Events" of this Offer Information Statement for the last date and time for payment for the Rights Shares and, if applicable, excess Rights Shares.

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

The Rights Shares will be provisionally allotted to the Entitled Shareholders on or about **27 November 2017** by crediting the provisional allotments into the Securities Accounts of the respective Entitled Depositors or through the despatch of the relevant PALs to the Entitled Scripholders, based on their respective shareholdings in the Company as at the Books Closure Date.

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

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form(s) comprised in the PAL) with valid acceptances for the Rights Shares and successful applications for excess Rights Shares, share certificate(s) representing such number of Rights Shares will be sent to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send to the relevant subscribers, at their own risk, within fourteen (14) days, a notification letter stating the number of Rights Shares credited to their Securities Accounts.

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

6. **In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Not applicable. No pre-emptive rights have been offered.

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

Results of the Rights Issue

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

Manner of Refund

Where any acceptance for the Rights Shares and/or application for excess Rights Shares is invalid or unsuccessful, the amount paid on acceptance or application, or the surplus application monies, as the case may be, will be refunded to the relevant applicant by CDP on behalf of the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

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

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

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PART IV: KEY INFORMATION

USE OF PROCEEDS FROM OFFER AND EXPENSES INCURRED

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

Please refer to Paragraphs 2 to 7 below of this Part IV.

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

The estimated Net Proceeds from the Rights Issue, after deducting estimated expenses of approximately S\$0.1 million, is expected to be approximately S\$1.3 million.

All of the Net Proceeds will go to the Company. Please refer to Paragraph 3 of this Part IV.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.
-

The Company intends to use the entire Net Proceeds in accordance to the proportions set out below:

Use of Proceeds	(S\$)	
Repayment of the Outstanding Loans	770,738	59.29%
Repayment of Bank Borrowings	300,000	23.07%
General working capital	229,262	17.64%
Net proceeds arising from the Rights Issue	1,300,000	

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed or utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in this Offer Information Statement or the announcement, and provide a status report on the utilisation of the Net Proceeds in the interim and full year financial statements (issued under Rule 705 of the Catalyst Rules) and

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the Company's annual report. Where there is a material deviation in the use of Net Proceeds, the Company will announce the reasons for such deviation. Where the proceeds have been used for working capital, the Company will also provide a breakdown with specific details on the use of proceeds for working capital in the announcements and in the Annual Reports.

In the event that any part of the Company's proposed uses of the Net Proceeds does not materialise or proceed as planned, the Directors will carefully evaluate the situation and may reallocate the proceeds to other purposes and/or hold such funds on short-term deposits for as long as the Directors deem it to be in the interest of the Company and the Shareholders. Any change in the use of the Net Proceeds will be subject to the provisions of the Listing Manual and appropriate announcements will be made by the Company on SGXNET.

Based on the reasonable opinion of the Directors as at the date of this Offer Information Statement, there is no minimum amount which must be raised from the Rights Issue.

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

Based on the intended use of Net Proceeds as set out in paragraph 3 of this Part, for each dollar of gross proceeds raised from the Rights Issue, the estimated amount that will be allocated for the intended use and to pay for costs and expenses incurred in relation to the Rights Issue are as follows:

For each dollar of gross proceeds raised	(S\$)
Repayment of the Outstanding Loans	0.55
Repayment of Bank Borrowings	0.22
General working capital	0.16
Estimated legal and professional fees in connection to the Rights Issue	0.07

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

Not applicable. The Net Proceeds will not be used, directly or indirectly to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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

Please refer to Paragraph 5 of this Part IV.

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

As set out below in Paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) the Company will utilise approximately S\$770,738 in aggregate of the Net Proceeds to offset the Outstanding Loans owed to Mr Ip and Mdm Lim and the Group will utilise S\$300,000 to repay its bank loans/borrowings.

There is no maturity date for the Outstanding Loans. However, as disclosed in this Offer Information Statement, as part of the Irrevocable Undertakings given by Mdm Lim and Mr Ip, their respective portion of the Outstanding Loans shall be offset against the amount of subscription monies payable for their pro-rata entitlement of the Rights Shares (and in the case of Mdm Lim, subscription of the Excess Rights Shares, where applicable).

As for the Group's repayment of bank loans/borrowings in the approximate sum of S\$300,000, this is for the Company to service its UOB loan interest on a quarterly basis and to roll over the loan on a quarterly basis as well as for the Group's subsidiary Cheong Fatt Holding Pte. Ltd. to repay its loan from Hong Leong Finance on a monthly basis.

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

Not applicable. The Rights Issue is not underwritten and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

INFORMATION ON THE RELEVANT ENTITY

9. **Provide the following information:**

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

Registered Office and Principal Place of Business

Address : 4 Ang Mo Kio Avenue 12, CFM Building, Singapore 569498
Tel : (65) 6481 2888
Fax : (65) 6481 1122

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

The Group is a principally engaged in the business of providing metal stamping services, design, fabrication and the sale of tool-and-die used for the manufacture of stamped metal components. In addition, as part of the Group's diversification strategy, the Group had in the financial year ending 30 June 2015 acquired a new subsidiary trading in disposable and wearable products for use in pharmaceutical, cleanroom, bio-medical, laboratories and hospitals.

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As at the Latest Practicable Date, the subsidiaries and associated companies of the Company are as follows:

Name of Subsidiary	Country of Incorporation	Principal activities	Ownership interest (%)
<u>Held by the Company</u>			
PT Hantong Precision Manufacturing Batam	Indonesia	Manufacturing of metal plates and metal stamping	60
Cheong Fatt Holdings Pte. Ltd.	Singapore	Manufacturing of metal plates and metal stamping	100
Hantong Metal Component Sdn. Bhd.	Malaysia	Manufacturing of metal plates and metal stamping	100
Hantong Metal Component (Penang) Sdn. Bhd.	Malaysia	Manufacturing of metal plates and metal stamping	100
CFM Slovakia s.r.o.	Slovak Republic	Manufacturing of metal plates and metal stamping	100
CFM (USA), Inc.	The United States of America	Dormant	100
Dalian CFM Precision Tooling Co., Ltd	The People's Republic of China	Manufacturing and fabricating engineering tools	100
CFM Infratrade Pte. Ltd.	Singapore	Trading and supplying disposable and wearable for use in clean room, biomedical, laboratories and hospitals	100
CFM F&B Pte. Ltd. ⁽¹⁾	Singapore	Dormant	100
<u>Held by Cheong Fatt Holdings Pte. Ltd.</u>			
CFM Precision Tooling Sdn. Bhd.	Malaysia	Manufacture and fabrication of all types of engineering tools and precision engineering	99.99
<u>Held by CFM Precision Tooling Sdn. Bhd.</u>			
PT Hantong Precision Manufacturing Batam	Indonesia	Manufacturing of metal plates and metal stamping	39.67

Note(1): CFM F&B Pte. Ltd. is in the process of being struck off.

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- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since —**
- (i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**
-

The significant developments in the Group's business in chronological order from the beginning of the period comprising the three (3) most recent completed financial years to the Latest Practicable Date are set out below. The significant developments included in this section have been extracted from the related announcements released by the Company via SGXNET and the information presented herein is correct as at the date of each of the relevant announcements. Shareholders are advised to refer to the public announcements released by the Company on SGXNET for further details on these developments.

Key Developments in FY2015

On 25 August 2014, the Company announced that it had received a letter on 13 August 2014 from Ministry of Commerce Thailand (Department of Business Development) that HTM Takahashi (Thailand) Company Ltd, the Group's 99.99% owned dormant subsidiary incorporated in Thailand, had been struck off on 4 June 2014.

On 31 October 2014, the Company announced the appointment of Mr Kenneth Ip Yew Wa as its Executive Director as well as changes to the composition of the board.

On 9 January 2015, the Company announced the proposed acquisition of the entire issued and paid-up share capital of Infratrade Pte. Ltd. from the vendor shareholders of Infratrade Pte. Ltd. for an aggregate consideration of S\$2,000,000.

On 4 February 2015, the Company announced an update that the litigation suit faced by HMCPSB was fixed for trial in Malaysia on 22 June 2015 and 23 June 2015.

On 6 February 2015, the Company announced the disposal of its investment property by its wholly-owned subsidiary HMCPSB to Ezcom Sdn. Bhd. for an aggregate consideration of RM1.28 million (S\$0.48 million).

On 24 March 2015, the Company announced it had incorporated a wholly-owned subsidiary in Singapore under business name "CFM F&B Pte. Ltd."

On 31 March 2015, the Company announced that HMCPSB had entered into a sale and purchase agreement with Cahaya Perspektif Sdn. Bhd. For the purchase of an industrial property which it had been leasing from the Vendor for an aggregate consideration of RM 5,500,000 or equivalent to S\$2,038,000.

On 8 April 2015, the Company announced and released a circular to shareholders in relation to (i) the proposed amendments to the Memorandum of Association of the Company; (ii) the proposed adoption of new Articles of Association of the Company; (iii) the proposed CFM Performance Share Plan; and (iv) the proposed participation of the controlling shareholders and an associate of the controlling shareholders in the proposed CFM Performance Share Plan together with the accompanying notice of extraordinary general meeting dated 8 April 2015.

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On 30 April 2015, the Company announced the cessation of Mr Tan Hock Soon as the Group General Manager.

On 6 May 2015, the Company announced that Glalent Technology Pte. Ltd., the Group's 90% owned dormant subsidiary incorporated in Singapore, had been struck off on 21 April 2015.

On 22 May 2015, the Company announced an update on issues relating to the temporary occupation permit status of the Group's new factory.

Key Developments in FY2016

On 1 July 2015, the Company announced the proposed acquisition of such number of shares representing 10% of the issued share capital in Midsouth Camca S.A. De. C.V. from the vendor shareholder Midsouth Technology Pte. Ltd. by way of a conditional sale and purchase agreement dated 1 July 2015 for an aggregate consideration of S\$500,000.

On 1 July 2015, 9 July 2015, 17 July 2015, 17 September 2015 and 30 October 2015, the Company announced further developments relating the Group's new factory. As of 30 October 2015, Cheong Fatt Holdings Pte. Ltd. ("**CFH**"), a subsidiary of the Company had obtained a partial temporary occupation permit of the property excluding the 1st storey showroom, 3rd and 4th storey. On 2 December 2015, the full temporary occupation permit has been obtained for the property.

On 4 February 2016, the Company announced an update concerning sub-letting of the Group's new factory located at No. 4 Ang Mo Kio Avenue 12 Singapore 569498. Pursuant to Housing & Development Board ("HDB") sub-letting rules, CFH leased out an area of 18,700 square feet. This amounted to approximately 26.3% of total gross floor area (GFA), still within the new limit stipulated by HDB.

On 19 May 2016, the Company announced the cessation of its Chief Financial Officer Mr Fred Hoo Khiang Seng and appointment of a new Chief Financial Officer Mr Lee Chong Ping.

Key Developments in FY2017

On 18 July 2016, the Company announced the cessation of its independent director Mr Peter Lai Hock Meng.

On 3 August 2016, the Company announced its entry into a termination agreement on 3 August 2016 to terminate the conditional sale and purchase agreement entered into with Midsouth Technology Pte. Ltd. on 1 July 2015.

On 14 October 2016, the Company announced that the Housing & Development Board of Singapore had offered, CFH a lease renewal for a further term of 30 years for the Group's new factory. The Directors of CFH accepted and approved the offer at the time of the announcement.

On 7 December 2016, the Company announced further developments regarding the Group's new factory in particular that CFH had amicably settled its disputes with Seng Foo Building Construction Pte. Ltd. in High Court Suits HC/S 617/2015 and HC/S 506/2016.

On 8 February 2017, the Company announced that it had entered into a sale and purchase agreement for the disposal of all the shares held by it in Hantong Metal Component (KL) Sdn. Bhd. ("**Hantong KL**"), representing 100% of the issued share capital of Hantong KL, to Easyio Engineering Sdn. Bhd. for an aggregate consideration of RM 2,000,000.

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On 3 April 2017, the Company announced the increase in issued and paid-up share capital of its wholly-owned subsidiary, CFH through capitalization of the Company's loan to CFH.

On 4 May 2017, the Company announced that the disposal of its entire shareholding in Hantong KL, representing 100% of the issued share capital of Hantong KL, to Easyio Engineering Sdn. Bhd. had been completed on 4 May 2017.

On 19 June 2017, the Company announced a further development relating to the Group's new factory, in particular subsequent to the issue of a full temporary occupation permit for the property located at Lot 10984C MK18 4 Ang Mo Kio Avenue 12, Singapore 569498, the Building and Construction Authority has issued a certificate of statutory completion on 16 June 2017.

On 30 June 2017, the Company announced its proposal to undertake a renounceable non-underwritten rights issue of up to 93,016,281 new ordinary shares in the capital of the Company at an issue price of S\$0.015, for each Rights Share, on the basis of six Rights Shares for every seven existing ordinary shares in the issued and paid up capital of the Company held by Entitled Shareholders.

From 1 July 2017 to the Latest Practicable Date

On 17 August 2017, the Company announced a profit guidance for the Group's unaudited full year financial results for the financial year ended 30 June 2017, among others that the Group expects to record a net loss after tax for FY2017 mainly due to decline in revenue because of lower demand from customers for metal stamping operations and cleanroom products.

In the Company's full year results announcement for the financial year ended 30 June 2017 dated 25 August 2017, the Company announced an update on the litigation case against Showa International (HK) Co. Ltd stating, *inter alia*, that the Malaysian Court had fixed the trial on 8 September 2017 and 26 September 2017 (the "**Showa Litigation**"). Shareholders should note that the date is subject to change and the Company will make necessary announcements as and when there are material developments on this matter. The Board of Directors has assessed the information available to them as at the date of the announcement pertaining to the Claims. They are of the opinion that based on the information including, *inter alia*, the Claims amount of approximately RM 1.1 million and the advice from its solicitor, the said Claim (in the event it materialises) will have a significant adverse financial impact on the Group's financial performance and financial position. As at the date of the announcement, the outcome is still uncertain and the Company will keep the shareholders informed of the progress of the Claims and will make further announcements, when appropriate.

On 28 September 2017, the Company announced that it had received the listing and quotation notice from the SGX-ST for the listing and quotation for the Rights Shares on the Catalist Board.

On 15 November 2017, the Company announced the Books Closure Date of this Rights Issue.

Save as disclosed in this Offer Information Statement and in public announcements released by the Company, there has been no material change to the affairs of the Group during the period from 1 July 2017 to the Latest Practicable Date.

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

As at the Latest Practicable Date, the Company's equity capital is as follows:

Issued and paid-up share capital	S\$ 21,703,799 divided into 108,518,995 Shares
Loan capital	Nil

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

The interests of the Directors and Substantial Shareholders in the Shares, as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholdings are as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Ip Kwok Wing	40,018,085	36.88	33,169,850	30.57
Lim Fong Li Janet	33,169,850	30.57	40,018,085	36.88
Kenneth Ip Yew Wa	Nil	Nil	Nil	Nil
Er Kwong Wah	Nil	Nil	Nil	Nil
Ong Wei Jin	Nil	Nil	Nil	Nil
Substantial Shareholders (other than Directors)				
Ang Hao Yao (Hong Haoyao)	6,164,448	5.68		

Note: Mr Ip Kwok Wing and Mdm Lim Fong Li Janet are deemed interested in shares held by virtue of their relationship as spouses.

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- (f) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
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Save for the Showa Litigation matter, as at the Latest Practicable Date, the Board is not aware of any legal or arbitration proceedings pending or threatened or known to be contemplated by or against the Group which might or which have had in the twelve (12) months immediately preceding the date of this Offer Information Statement, a material effect on the financial position or profitability of the Company or the Group taken as a whole or of any facts likely to give rise to such litigation or arbitration claim.

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

- (i) No securities or equity interests of the Company have been issued for cash within the 12 months immediately preceding the Latest Practicable Date.
 - (ii) No securities or equity interests of the Company have been issued for services within the 12 months immediately preceding the Latest Practicable Date.
-

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

The sale and purchase agreement entered into between the Company and Easyio Engineering Sdn. Bhd. on 8 February 2017 pursuant to which the Company had agreed to sell and Easyio Engineering Sdn. Bhd had agreed to purchase, all of the shares held by the Company in Hantong KL, representing 100% of the issued share capital of Hantong KL for an aggregate consideration of RM 2,000,000. As announced by the Company on 4 May 2017, the sale and purchase was completed on 4 May 2017.

Save as disclosed herein and below, neither the Company nor any of its subsidiaries have entered into any material contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) during the two (2) years preceding the Latest Practicable Date.

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PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

OPERATING RESULTS

1. Provide selected data from -

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

The audited consolidated income statements of the Group for FY2015, FY2016 and FY2017:

	(Audited) FY2015 S\$'000	(Audited) FY2016 S\$'000	(Audited) FY2017 S\$'000
Revenue	31,029	25,618	21,167
Cost of sales	(25,722)	(21,897)	(17,349)
Gross profit	5,307	3,721	3,818
Other income	963	582	726
Marketing and distribution expenses	(778)	(774)	(548)
Administrative and other expenses	(5,839)	(7,265)	(5,804)
Finance costs	(79)	(287)	(277)
Loss before tax	(426)	(4,023)	(2,085)
Tax credit/(expense)	(157)	38	(13)
Loss for the year	(583)	(3,985)	(2,098)
Other comprehensive loss			
Currency translation differences arising on consolidation	(1,050)	(493)	(68)
Reclassification of currency translation differences on disposal of subsidiary to profit or loss	–	–	361
	(1,050)	(493)	293
Total comprehensive loss for the financial year	(1,633)	(4,478)	(1,805)
Loss attributable to:			
Equity holders of the Company	(582)	(3,985)	(2,098)
Non-controlling interests	(1)	–	–
Loss for the year	(583)	(3,985)	(2,098)

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	(Audited) FY2015 S\$'000	(Audited) FY2016 S\$'000	(Audited) FY2017 S\$'000
Total comprehensive loss attributable to Equity holders of the Company	(1,632)	(4,478)	(1,805)
Non-controlling interest	(1)	–	–
Total comprehensive loss for the financial year	(1,633)	(4,478)	(1,805)

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;**
 - (b) earnings or loss per share; and**
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.**
-

	(Audited) FY2015	(Audited) FY2016	(Audited) FY2017
Loss per share attributable to equity holders of the Company	(0.54)	(3.67)	(1.93)
Adjusted loss per share attributable to equity holders of the Company ⁽¹⁾	(0.29)	(1.98)	(1.04)
Dividend per share	–	–	–

Note:

- (1) Adjusted for the Rights Shares which are assumed to have been issued on the first day of the financial year or, as case may be, financial period. However, this does not take into account the effects of the use of proceeds from the Rights Issue on the earnings of the Group.
-

3. In respect of -

- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and**
- (b) any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any significant factor, including any unusual or infrequent event or new development which material affected profit or loss before tax of the Group.

FY2017 compared to FY2016

For FY2017, the Group registered a revenue of S\$21.17 million which was a decrease of S\$4.45 million from the previous corresponding financial year. The decrease was mainly due to decreased in demand of metal stamping and fabrication, toolings and also contributions in trading of clean room products.

Our gross profit increased from S\$3.72 million in FY2016 to S\$3.82 million in FY2017. The gross profit margin also increased from 14.52% to 18.04% for the same period. The increased gross profit and profit margin was mainly due to lower depreciation expense recorded during the current financial year compared to the previous corresponding financial year as there was a revised depreciation rates for certain property, plant and equipment to be in line with their deteriorating usable conditions.

Other income in FY2017 consists of income from rental income (S\$0.56 million), interest from fixed deposit and insurance claim of (S\$0.01 million), gain from forex (S\$0.01 million) and other miscellaneous income (S\$0.15 million). Other income has increased from S\$0.58 million in FY2016 to S\$0.73 million in FY2017 which was mainly attributed by:

- (a) Increase in rental income in FY2017 due to full year rental income earned compared to FY2016 as a result of temporary occupancy permit (“TOP”) issue which was obtained on 2 December 2015; offset by
- (b) Absence of miscellaneous income from HDB re-assignment fee; and
- (c) Absence of gain from sale of machinery.

Marketing expenses decreased from S\$0.77 million in FY2016 to S\$0.55 million in FY2017 was mainly due to decrease in sales commission paid/payable as a result of lower sales in FY2017 as compared to FY2016.

Administrative expenses in FY2017 consist mainly of directors’ remuneration and salary expenses (S\$2.78 million), professional fees (S\$0.45 million), depreciation charge (S\$0.71 million), land lease, office rental and property tax for Singapore factory (S\$0.40 million), office repairs and maintenance (S\$0.27 million), printing & stationery (S\$0.06 million), travelling expenses (S\$0.08 million), telephone (S\$0.05 million), provision for inventory obsolescence (S\$0.27 million), loss on disposal of a subsidiary (S\$0.32 million), impairment loss on property, plant and equipment (S\$0.09 million) and other miscellaneous expenses (S\$0.32 million).

It has decreased from S\$7.27 million in FY2016 to S\$5.80 million in FY2017 mainly due to:

- (a) Absence of intangible asset written off of S\$0.60 million;
- (b) Absence of amortisation of intangible asset of S\$0.06 million;
- (c) Absence of foreign exchange loss of S\$0.06 million;
- (d) Decrease in staff costs of S\$0.10 million;
- (e) Decrease in depreciation expenses from property, plant and equipment of S\$0.05 million;

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (f) Decrease in professional fees of S\$0.24 million; and
- (g) Decrease in allowance for doubtful debts of S\$0.19 million and other miscellaneous expenses.

Finance costs decrease from S\$0.29 million in FY2016 to S\$0.28 million in FY2017. The decrease was mainly due to decrease in interest on finance lease offset partially by the increase in the interest on bank borrowings as a result of increase in interest rate and proceeds from bank borrowings.

The increase in tax expense in current financial year was attributed to the income tax expenses incurred for certain profitable subsidiaries.

Overall, the Group recorded a loss after tax of S\$2.09 million in FY2017 as compared to a loss after tax of S\$3.99 million in FY2016.

FY2016 compared to FY 2015

For FY2016, the Group registered a revenue of S\$25.62 million which was a decrease of S\$5.41 million from the previous corresponding financial year. The decrease was mainly due to decreased in demand of metal stamping and fabrication and the effect of change in accounting treatment for trading of other components and parts by S\$6.67 million and offset by partially increase contributions in trading of clean room products of S\$1.20 million.

Our gross profit decreased from S\$5.31 million in FY2015 to S\$3.72 million in FY2016. Gross profit margin also decreased from 17.10% to 14.52% for the same period. The decreased gross profit and gross profit margin were attributed by the following factors:

- (a) Lower revenue recorded during the current financial year compared to previous corresponding financial year as reasons explained above; and
- (b) Revised depreciation rates for certain property, plant and equipment to be in-line with their deteriorating usable conditions.

Other income in FY2016 consists of income from rental income (S\$0.31 million), gain on disposal of property, plant and equipment of (S\$0.02 million), sales of machinery (S\$0.02 million), interest from fixed deposit and insurance claim of (S\$0.02 million) and other miscellaneous income (S\$0.22 million). Other income has decreased from S\$0.96 million in FY2015 to S\$0.58 million in FY2016 which was mainly attributed by:

- (a) Absence of gain on disposal of investment property;
- (b) Absence of gain on foreign exchange;
- (c) Decrease in gain on disposal of property, plant and equipment; offset by the following (d) and (e)
- (d) Increase in rental income in FY2016;
- (e) Other income (i.e. HDB re-assignment income and sales of machinery)

Administrative expenses in FY2016 consist mainly of directors' remuneration and salary expenses (S\$2.87 million), professional fees (S\$0.85 million), depreciation charge (S\$0.76 million), land lease, office rental and property tax for Singapore factory (S\$0.37 million), office repairs and maintenance (S\$0.30 million), printing & stationery (S\$0.08 million), travelling expenses (S\$0.11 million), allowance for doubtful debts (S\$0.24 million), telephone (S\$0.06 million), intangible asset

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

written off (S\$0.59 million), amortization of intangible asset (S\$0.07 million), provision for inventory obsolescence (S\$0.51 million), loss in foreign exchange of S\$0.06 million and other miscellaneous expenses (S\$0.40 million).

It has increased from S\$5.84 million in FY2015 to S\$7.27 million in FY2016 mainly due to:

- (a) Intangible asset written off of S\$0.59 million;
- (b) Higher depreciation charges from a revised depreciation policy for the Group's non-income generating property, plant and equipment of S\$0.36 million;
- (c) Impairment loss in respect of property, plant and equipment of S\$0.06 million and fixed assets written off of S\$0.02 million;
- (d) Increase in allowance for doubtful debts of S\$0.19 million;
- (e) Increase in provision for inventory obsolescence of S\$0.33 million which are no longer required in the production and the materials are not in usable conditions; offset by
- (f) Decrease in professional fees (S\$0.18 million).

Finance costs increase from S\$0.08 million in FY2015 to S\$0.29 million in FY2016. The increase in finance costs was mainly due to interest charges from the drawdown of the construction loan for the rebuilding of the Singapore factory and bank loan for the purchase of Malaysia factory. During the current financial year, the interest charges of S\$0.08 million (FY2015: S\$ 0.14 million) was capitalized under property, plant and equipment.

The Group tax expense decreased from S\$0.16 million in FY2015 to a tax credit of S\$0.04 million in FY2016. The decrease in income tax expenses was mainly due to loss recorded by the operating subsidiaries and overprovision of income tax and deferred tax in prior years.

Overall, the Group recorded a loss after tax of S\$3.99 million in FY2016 as compared to a loss after tax of S\$0.58 million in FY2015.

FY2015 compared to FY2014

For the financial year ended 30 June 2015 ("FY2015"), the Group registered a revenue of S\$31.03 million which was a decrease of S\$3.73 million from the previous corresponding financial year. The decrease was mainly due to decreased contributions from operations in Slovakia and Malaysia by S\$5.51 million and offset partially by increase contributions in Singapore and Indonesia by S\$1.75 million. The increase in Singapore operations is mainly due to the acquisition of CFM Infratrade Pte. Ltd. in January 2015 which contributed S\$1.36 million from January 2015 to June 2015.

Our gross profit decreased from S\$6.53 million in FY2014 to S\$5.31 million in FY2015. Gross profit margin also decreased from 18.80% to 17.10% for the same period. The decreased gross profit margin was attributed by the following factors:

- (a) Demands for metal stamping fell due to uncertain global economies; and
- (b) End of product life for some customers' products in the metal stamping segments; but offset by
- (c) Higher margin gained from the trading activities from the new subsidiary acquired in January 2015.

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Other income in FY2015 consists of income from gain from disposal of investment property (S\$0.19 million), gain on foreign exchange (S\$0.35 million), gain on disposal of property, plant & equipment (S\$0.11 million), rental income (S\$0.18 million), government grant (S\$0.04 million) and other miscellaneous income (S\$0.09 million). Other Income has increased from S\$0.53 million in FY2014 to S\$0.96 million in FY2015 which was mainly attributed by:

- (a) Gain on disposal of investment property;
- (b) Gain on foreign exchange;
- (c) Rental income; and
- (d) Gain on disposal of property, plant & equipment.

Marketing expenses decreased from S\$1.11 million in FY2014 to S\$0.78 million in FY2015. This was mainly due to decrease in entertainment expenses and sales commission paid.

Administrative expenses in FY2015 consist mainly of directors' remuneration and salary expenses (S\$2.90 million), professional fees (S\$1.03 million), depreciation charge (S\$0.40 million), land lease, office rental and property tax for Singapore factory (S\$0.38 million), office repairs and maintenance (S\$0.28 million), Printing & Stationery (S\$0.10 million), travelling expenses (S\$0.11 million), provision for obsolete stocks (S\$0.06 million), allowance for bad debts (S\$0.07 million), telephone (S\$0.07 million), stamp duty (S\$0.07 million), and other miscellaneous expenses (S\$0.37 million).

It has increased from S\$5.11 million in FY2014 to S\$5.84 million in FY2015 mainly due to increase in depreciation expenses of S\$0.15 million, professional fees of S\$0.43 million and salaries of S\$0.19 million, offset by a decline in provision for bad debts of S\$0.11 million.

Finance costs remain relatively unchanged in FY2014 and FY2015. The finance costs related to finance leases for new machines and equipment and bank charges.

The Group tax expense decreased from S\$0.38 million in FY2014 to S\$0.16 million in FY2015. Lower tax expense in FY2015 was mainly due to lower profit generated by the profitable subsidiaries.

Overall, the Group recorded a loss after tax of S\$0.58 million in FY2015 as compared to a profit of S\$0.40 million in FY2014.

FINANCIAL POSITION

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4. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —**
- (a) **the most recent completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The audited consolidated statement of financial position of the Group for FY2017 is set out below:

	(Audited) FY2017 S\$'000
Non-current assets	
Property, plant and equipment	12,592
Investments in subsidiaries	–
Trade receivables	226
	12,818
Current assets	
Inventories	2,409
Trade receivables	5,036
Other receivables and prepayment	515
Cash and cash equivalents	4,457
	12,417
Total assets	25,235
Non-current liabilities	
Finance lease liabilities	71
Borrowings	5,552
Deferred tax liabilities	384
	6,007
Current liabilities	
Trade payables	2,607
Other payables	3,713
Finance lease liabilities	111
Borrowings	2,311
Income tax payable	18
Provision	101
	8,861
Total liabilities	14,868
Net assets	10,367
Equity	
Share capital	21,704
Accumulated losses	(8,718)
Foreign currency translation reserve	(2,619)
	10,367
Equity attributable to equity holders of the Company	10,367
Non-controlling interests	–
Total Equity	10,367

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.
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For illustrative purposes only, based on up to 93,016,281 Rights Shares to be allotted and issued assuming that the Rights Issue is fully subscribed, the following is an analysis of the financial effects of the Rights Issue on the net asset value per Share:

	(Audited) FY2017
Before the Rights Issue	
Number of Shares	108,518,995
Net asset value per Share (in cents)	9.55
After the Rights Issue	
Adjusted number of Shares	201,535,276
Adjusted net asset value per Share after the Rights Issue (in cents)	5.84

LIQUIDITY AND CAPITAL RESOURCES

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of —
- (a) the most recent completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The audited consolidated statement of cash flows of the Group for FY2017 are set out below:

	(Audited) FY2017 S\$'000
Cash flows from operating activities	
Loss before tax	(2,085)
Adjustments for:	
Loss on disposal of a subsidiary	321
Depreciation on property, plant and equipment	895
Loss on disposal of property, plant and equipment	3
Impairment loss on property, plant and equipment	93
Inventory written down	272
Inventory written off	85
Inventory written back	(47)
Interest expenses	277
Interest income	(10)
	(196)
Operating cash flows before working capital changes	(196)
Inventories	190
Receivables and prepayments	1,004
Payables	(620)
Foreign currency translation adjustments	(20)
	398
Cash generated from operations	398
Interest received	10
Income tax paid	(128)
	280
Net cash generated from operating activities	280
	(199)
Cash flows from investing activities	
Purchase of property, plant and equipment	(199)
Proceeds from disposal of property, plant and equipment	9
Proceeds from disposal of a subsidiary, net of cash disposed	386
Repayment of outstanding consideration for the acquisition of a subsidiary	(600)
Net cash used in investing activities	(404)
	(1,894)
Cash flows from financing activities	
Repayment of borrowings	(1,894)
Proceeds from borrowings	1,266
Interest paid	(277)
Net repayment of finance lease liabilities	(133)
Fixed deposits pledged with financial institutions	514
	(524)
Net cash used in financing activities	(524)
	(648)
Net decrease in cash and cash equivalents	(648)
Cash and cash equivalents at beginning of the financial year	3,978
Effect of exchange rate changes on opening cash and cash equivalents	(44)
	3,286
Cash and cash equivalents at end of the financial year	3,286
	1,171
Cash and cash equivalents	
Fixed deposits	1,171
Cash at bank and in hand	3,286
	4,457
Less: Fixed deposits pledged with bank	(1,171)
	3,286
Cash and cash equivalents at end of the financial year	3,286

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.

As at the date of this Offer Information Statement, the Directors are of the reasonable opinion that, barring unforeseen circumstances and after taking into consideration the Group's internal resources, operating cash flow and present banking facilities, the working capital available to the Group is sufficient to meet its present requirements.

As at the date of this Offer Information Statement, the Directors are of the reasonable opinion that, barring unforeseen circumstances and after taking into consideration the Group's internal resources, operating cash flow, present banking facilities as well as the Net Proceeds of the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

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8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide —
- (a) a statement of that fact;
 - (b) details of the credit arrangement or bank loan; and
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

As at the date of this Offer Information Statement, to the best of the Directors' knowledge, the Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

TREND INFORMATION AND PROFIT FORECAST OR PROFIT ESTIMATE

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9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

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

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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

BUSINESS AND FINANCIAL PROSPECTS

In view of the general market sentiments remained weak and on-going uncertainties in the global economy, the Management expects the business prospects to be challenging to the Group's core business .i.e. metal stamping and fabrication business. As such, Management will continue to monitor and tighten cost control over its operations and to constantly improve productivity.

In addition, the Group has evaluated the possibilities and streamlining its existing investments of the Company.

As announced on 3 August 2016, the Group had taken a step to withdraw its investment into Midsouth Camca Mexico.

As announced on 4 May 2016, the Group has completed the disposal of its wholly owned subsidiary, Hantong Metal Component (KL) Sdn. Bhd. to Easiyo Engineering Sdn. Bhd..

The Company also had make an application to the Accounting and Corporate Regulatory Authority to have the name of CFM F&B Pte. Ltd. struck-off from the register pursuant to Section 344A of the Companies Act.

Further, following attempts to approach the Embassy of Uzbekistan and the person in charge of CFM ProEnergies LLC, the Board after due deliberation and discussion, is of the view that the subsidiary has been loss of control. Without being able to recover its investment or realise its investment to another party, the Group decided to write off the investment in CFM ProEnergies LLC. The writing off of CFM ProEnergies has no any material impact on the net tangible assets or earnings per share of the Company for the current financial year ended 30 June 2017.

In addition, the Group will explore potential merger and acquisition activities, investment opportunities that will contribute to the Company's growth plans and will enhance shareholders' value over the long term. As such, on 30 June 2017, the Company has announced to propose renounceable non-underwritten Rights Issue of up to 93,016,281 new ordinary shares in the capital of the Company.

RISK FACTORS

Risk factors relating to the Group's business and industry

The Group's subsidiary CFM Infratrade Pte. Ltd. may be affected by industry competition which may impact overall performance of the Group

The cleanroom products industry has low barriers of entry and as such competitors may be able to be more price competitive than CFM Infratrade Pte. Ltd. ("**CFM Infratrade**") and thus CFM Infratrade may experience a loss of customers due to the competition. Further, the Company may purchase in bulk so as to reap economies of scale and to maintain competitiveness; however, this would lead to increase in storage costs and labour costs. Due to the nature of the business and industry, CFM Infratrade would also only be able to secure short-term contracts/orders from customers as opposed to long-term contracts and this may have an impact on the profitability of its business.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The Group is dependent on the electronics industry

The electronics industry is cyclical and is characterised by intense competition, rapid technological change and short product life cycles. The Group is therefore vulnerable to the volatile and cyclical nature of the electronics industry. A slowdown in the electronics industry will result in a decline in demand for the Group's products and services and in turn would have a material and adverse impact on the Group's financial performance.

The Group may be affected by the relocation of its customers' manufacturing operations

As part of their restructuring or globalisation plans, the Group's customers may choose to relocate to countries where it does not have an existing facility. If the Group's customers relocate their businesses to regions where its customers are operating, and in the event the Group is unable to relocate operations to such locations, the Group may lose such customers to competitors and accordingly, the Group's revenue and financial performance may be adversely affected.

The Group may not be able to compete successfully with other manufacturers of stamped components

The Group operates in a highly competitive industry and generally compete with other manufacturers of similar products and services on product quality, service quality, timeliness and pricing. There is no assurance that the Group can continue to compete successfully against competitors in the industry in the future. There is no assurance that the Group will not face competition from new entrants in this industry or that the Group will be able to compete successfully against the new entrants. Such competitive pressures may materially and adversely affect the Group's revenue and profitability.

The Group is vulnerable to the erosion of market prices of its products

As a result of intense competition and the Group's dependence on major customers, the Group is continuously under pressure to lower its prices for its products and services in order to remain competitive. In the event that the Group reduces its prices but are not able to keep costs low, the Group's profitability will be adversely affected.

The Group may not be able to keep up with rapid technological changes in the electronics industry

The electronics industry is characterised by rapid increases in the diversity and complexity of electronics products. As a result, many of the Group's customers may need to constantly offer more sophisticated electronics products in order to respond to competitive industry conditions and end-user requirements. In the event that the Group does not anticipate the technology evolution and is unable to produce metal components for such sophisticated electronics products, the Group's products and services may become materially and adversely affected.

The Group's business is subject to price fluctuations of raw materials

The Group is exposed to fluctuations in the prices of ferrous metals (such as, cold-rolled steel, electro-galvanised steel, hot-dipped galvanised steel and coloured steel) as well as non-ferrous metals (such as aluminium, brass, tin and copper), which are the main raw materials for the Group's manufacturing operations. As such, substantial increases in the prices of raw materials are likely to have a material adverse impact on the cost of goods sold. In the event that the Group is unable to pass the increase in the prices of such raw materials to customers on a timely basis or find a cheaper source of supply, the Group's profit margins may decrease resulting in an adverse effect on the Group's profitability.

The Group does not have long-term supply arrangements with suppliers of raw materials

As the Group does not have long-term supply arrangements with suppliers, there can be no assurance that the Group will be able to continue obtaining sufficient quantities of raw materials of an acceptable quality and price from its suppliers. In the event that the Group's suppliers are unable to fulfil its raw material needs, the Group may not be able to seek alternative sources of

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

supply in a timely manner, or may be subject to higher costs from alternative suppliers. An insufficient supply of raw materials or any delay or disruption in delivery schedules of raw materials will adversely affect the Group's ability to meet its customers' orders, and any significant increase in the cost of raw materials will affect the Group's revenue and profits.

The Group is reliant on key personnel

The Group's success is dependent on the continued services of the Executive Chairman, Mr Ip Kwok Wing and our Chief Executive Officer, Mdm Lim Fong Li Janet. They are responsible for formulating and implementing the Group's business growth, corporate development and overall business strategies and they have been instrumental in the Group's growth and expansion. The loss of any of these key personnel without timely and suitable replacements and the Group's inability to attract and retain qualified and experienced personnel could have an unfavourable impact on the Group's business.

The Group is dependent on skilled and semi-skilled workers

The Group is vulnerable to the availability and costs of foreign workers. The Singapore operations are dependent on skilled and semi-skilled workers from Malaysia, India and the PRC. The Malaysian operations are also dependent on foreign workers from Indonesia, Bangladesh and Myanmar. Accordingly, any changes in regulatory labour policies in the countries the Group operates may affect the supply of foreign workers and labour costs.

The Group's production operations require skilled technicians such as tool and die designers. There is a limited supply of skilled technicians specialising in design and fabrication of tool and die in Singapore and Malaysia. As such, the Group may have to pay more to attract and employ foreign skilled technicians in future and this may be more expensive than employing local workers as foreign workers' levy would have to be paid. In the event that there is a shortage of foreign workers, increase in foreign workers' levy or if the Group is unable to employ skilled technicians for our operations, the Group's business may be adversely affected.

The Group may face claims by customers for defects in products or delays in the delivery of products

The products which the Group manufactures for customers must meet the stringent quality standards stipulated by them. To date, no product liability claims have been made against the Group. However, as the Group does not have any insurance against potential product liability claims, if there are any quality defects in the products designed and/or manufactured by the Group or late deliveries of products to customers, the Group may face claims from customers for damages or loss of business suffered arising from such defects or late deliveries. If the Group is required to pay damages to customers in respect of such claims, it may adversely affect the Group's profitability.

The Group faces foreign exchange transaction and translation risks

The Group's sales are generally denominated in S\$, RM, US\$, EUR and GBP and our purchases are generally denominated in S\$, RM, US\$, and EUR. The Group's operating costs are denominated in S\$, US\$, RM, IDR, and EUR.

To the extent that the Group's sales, purchases and operating costs are not materially matched in the same currency and to the extent that there are timing differences between invoicing and payment, the Group will be exposed to fluctuations of the various currencies against the S\$. In addition, as the Group's reporting currency is in S\$, the financial statements of its foreign subsidiaries will need to be translated to S\$ for consolidation purposes. As such, any material fluctuations in foreign exchange rates will result in translation gains or losses on consolidation. Any such translation gains or losses will be recorded as translation reserves or deficits as part of shareholders' equity.

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The Group is exposed to credit risks of its clients

The Group's trade receivables account for approximately 46.52%, 39.74% and 42.38% of the Group's current assets and approximately 25.40%, 22.37% and 19.96% of the Group's total assets as at the end of FY2015, FY2016 and FY2017 respectively. Therefore, the Group's financial position and profitability is dependent to a large extent on the creditworthiness of its customers. The Group is exposed to credit risks of its customers due to the inherent risks and uncertainties involved in their businesses. Credit risks will also arise from events or circumstances that are difficult to anticipate. As the Group's customer base expands, the Group will be subject to the risk of bad debts should any of its new customers encounter financial difficulties in which event, the non-collectability of the Group's debts will have an adverse impact on the Group's financial results.

The Group's operations may be affected by disruptions of production facilities and the spread of infectious diseases

Disruptions in the Group's operations and delays may occur in the event of machine breakdowns or disruptions in the power supply at the Group's production facilities or if the Group required to shut down any of its production facilities due to any employee being infected or suspected of being infected with any infectious diseases (such as the SARS virus). This would result in longer lead time for production and delay delivery to customers. Failure to meet customers' expectations could damage the Group's reputation and may, as a result, lead to loss of business and affect the Group's ability to attract new businesses. If this were to occur, the Group's business, profitability and financial performance will be adversely affected. In addition, the spread of infectious diseases could affect the operations of the Group's customers and suppliers, which would have an adverse impact on the Group's businesses, operations and your investment.

Terrorist attacks and other acts of violence or war may affect the Group's business and its profitability

The effect of terrorist attacks such as those that occurred in the US on 11 September 2001, in Indonesia on 12 October 2002 and 5 August 2003, or armed conflict such as the war in Iraq may negatively impact the Group's operations. They may directly impact the Group's manufacturing facilities or those of the Group's suppliers and customers. Such terrorist attacks or armed conflict may also affect the demand for the Group's products, the Group's production capacity and the Group's ability to deliver products to customers in a timely and cost-effective manner, which could in turn have a material adverse impact on the Group's revenue and business. Such terrorist attacks may also result in political and economic instability in some regions in the world, and this could also negatively impact the Group's condition.

The Group is subjected to general risks associated with doing business outside of Singapore

There are inadvertent risks in doing business overseas, such as unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social, economic and political instability, labour unrest, potentially adverse tax consequences, legal uncertainty, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the regulation of capital or profits, any of which would materially affect the Group's overseas operations and consequently the Group's business, results of operations and financial condition.

The Group requires various licences and permits issued by various governmental authorities or departments. The licences and permits are generally subject to conditions stipulated in the licences and permits and/or in the relevant laws or regulations under which such licences and permits are issued. Failure to comply with such conditions could result in the revocation of the relevant licence or permit. As such, the Group has to constantly monitor and ensure that it complies with such conditions. Should there be any failure to comply with such conditions resulting in the revocation of any of the licences and permits, the Group may not be able to carry out its operations. In such an event, there would be an adverse impact on the Group's operations and financial performance. In order to comply with the conditions of the licences and permits, the Group may also need to invest

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additional capital to construct or renovate current infrastructure or purchase new assets. Should the cost be significant, there will also be an adverse impact on the Group's operations and financial performance.

Risk factors relating to an investment in the shares

Investment in shares quoted on the Catalist involves a higher degree of risk and can be less liquid than share quoted on the Main Board of the SGX-ST

The Company is currently listed on the Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies listed on the Main Board of the SGX-ST. An investment in shares quoted on the Catalist may carry a higher risk than an investment in shares quoted on the Main Board of the SGX-ST and the future success and liquidity in the market of the Shares cannot be guaranteed.

As a result of the Rights Issue, the Undertaking Shareholders may collectively acquire a significant shareholding interest in the Company

Depending on the level of subscription for the Rights Shares by the other Shareholders of their *pro rata* entitlements as well as the level of applications for excess Rights Shares, on the basis that the Undertaking Shareholders subscribe for 62,732,515 Rights Shares and Mdm Lim further subscribes for up to 30,283,766 Balance Excess Rights Shares, the Undertaking Shareholders' interest in the issued share capital of the Company will increase from 67.45% up to 82.47%. The Undertaking Shareholders may have veto power with respect to any Shareholders' action or approval requiring a majority vote except where they are required by the Catalist Rules to abstain from voting. There is no assurance that the objectives of the Undertaking Shareholders will not conflict with the Group's existing business goals and objectives or the goals and objectives of the other Shareholders. Further, a concentration of shareholding interests may also deter or delay a future take-over a change in control of the Company.

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

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

The price of the Shares may be volatile, which could result in substantial losses for investors subscribing for the Rights Shares

The trading price of the Shares could be subject to fluctuations in response to variations in the Group's results of operations, changes in general economic conditions, changes in accounting principles or other developments affecting the Group, its involvement in litigation, additions or departures in key personnel, any announcements by the Group of corporate developments, changes in financial estimates by securities analysts, the operating and stock price performance of other companies and other events or factors. The global financial markets have experienced significant price and volume fluctuations in recent years. Volatility in the price of the Shares may be caused by factors outside its control and may be unrelated or disproportionate to the Group's operating results.

There is no assurance that the market price for the Shares will not fluctuate significantly and rapidly as a result of certain factors, some of which are beyond the Company's control. Examples of such factors include, *inter alia*, (i) corporate actions; (ii) variation(s) of its operating results; (iii) changes in securities analysts' estimates of the Group's financial performance; (iv) additions or

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departures of key personnel; (v) fluctuations in stock market prices and volume; (vi) involvement in litigation; and (vii) general economic, political and regulatory environment in the markets that the Group operates in.

There is no assurance that an active market for the Shares will develop after the Rights Issue

There is no assurance that the market price for the Rights Shares will not decline below the Issue Price after the Rights Issue. Shareholders should note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots on the Catalist should note that there is no assurance that they will be able to acquire such number of Rights Shares to make up one (1) board lot of 100 Rights Shares or to dispose of their odd lots (whether in part or whole) on the Catalist. Further, Entitled Shareholders who hold odd lots of less than 100 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares.

An active market may not develop for the “nil-paid” rights entitlements during the provisional allotment period prescribed by the SGX-ST

There is no assurance that an active trading market for the “nil-paid” rights on the Catalist will develop during the trading period or that any over-the-counter trading market for the “nil-paid” rights will develop. Even if an active market develops, the trading price of the “nil-paid” rights, which depends on the trading price of the Shares, may be volatile. In addition, Shareholders in certain jurisdictions are not allowed to participate in the Rights Issue. The “nil-paid” rights which would otherwise be provisionally allotted to Foreign Shareholders may be sold by the Company, which could affect the trading price of the “nil-paid” rights.

Investors may experience future dilution in the value of their Shares

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

Any future sales of the Shares by the Group’s Substantial Shareholders and/or Directors could adversely affect its share price

Any future sale of Shares by the Substantial Shareholders and/or Directors in the market can have a downward pressure on the price of the Shares. The sale of a significant amount of such Shares in the market, or the perception that such sales may occur could materially and adversely affect the market price of its Shares. These factors could also affect the Group’s ability to issue additional equity securities in future.

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10. **Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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Not applicable. There is no profit forecast disclosed.

11. **Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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Not applicable. There is no profit forecast disclosed.

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

Not applicable. There is no profit forecast disclosed.

13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. There is no profit forecast disclosed.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. There is no profit forecast disclosed.

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SIGNIFICANT CHANGES

15. Disclose any event that has occurred from the end of –
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement and in the public announcements made by the Company via SGXNET, the Directors are not aware of any event which has occurred since 30 June 2017 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

MEANING OF “PUBLISHED”

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

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PART VI: THE OFFER AND LISTING

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**
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The Issue Price for each Rights Share is S\$0.015, payable in full upon acceptance and application.

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

However, an administrative fee will be incurred for each successful Electronic Application made through the ATMs of the Participating Bank, and such administrative fee will be borne by the subscribers or purchasers of the Rights Shares.

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

3. **If —**
- (a) **any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
 - (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

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

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

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4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange —
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or

The highest and lowest traded prices and the volume of the Shares traded on Catalist during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 November 2017 to the Latest Practicable Date are as follows:

	Price range		Volume of shares traded
	High S\$	Low S\$	
November 2016	n.a	n.a	n.a
December 2016	0.037	0.026	238,100
January 2017	0.038	0.030	136,000
February 2017	0.051	0.026	524,600
March 2017	0.048	0.031	333,800
April 2017	0.041	0.035	66,200
May 2017	0.041	0.040	10,000
June 2017	0.041	0.026	78,000
July 2017	0.050	0.030	16,000
August 2017	n.a	n.a	n.a
September 2017	0.050	0.032	47,100
October 2017	0.044	0.043	60,000
1 November 2017 to the Latest Practicable Date	0.050	0.035	44,900

(Source: www.shareinvestor.com)

Notes:

n.a denotes not applicable as there was no trade for the Shares for November 2016 and August 2017

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- (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

Not applicable. The Shares have been listed and quoted on Catalist for more than 12 months immediately preceding the Latest Practicable Date.

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- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and

There has been no significant trading suspension of the Shares which are listed on the Catalist during the three (3) years immediately preceding the Latest Practicable Date.

- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

Please refer to paragraph 4(a) of this Part VI for the volume of Shares traded during each of the last 12 calendar month immediately preceding the Latest Practicable Date and for the period from 1 November 2017 to the Latest Practicable Date.

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

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

The Rights Shares are to be issued pursuant to the general mandate granted by Shareholders to the Directors at the Company's annual general meeting held on 31 October 2017.

PLAN OF DISTRIBUTION

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

The Rights Issue is proposed to be offered on a renounceable non-underwritten basis by the Company of up to 93,016,281 Rights Shares at the Issue Price of S\$0.015, on the basis of six (6) Rights Shares for every seven (7) existing Shares held by the Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

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

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The Rights Issue is not underwritten.

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

Entitled Shareholders will be at liberty to accept, decline, renounce or (in the case of Entitled Depositors) trade their provisional allotments of Rights Shares and will be eligible to apply for excess Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors will be able to trade their provisional allotments of Rights Shares on the SGX-ST during the Rights Trading Period. For the avoidance of doubt and notwithstanding anything in this Offer Information Statement, only Entitled Shareholders (and not the Purchasers or renounces of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.

Fractional entitlements to the Rights Shares will be disregarded at arriving at Shareholders' entitlements and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and used to satisfy excess applications for Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of Excess Rights Shares, preference will be given to Entitled Shareholders in satisfaction of their application for Excess Rights Shares, if any, provided that where there are insufficient Excess Rights Shares to allot to each application, the Company shall allot the Excess Rights Shares to Entitled Shareholders such that preference will be given to the rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, and the Undertaking Shareholder will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment or issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by the Shareholders at a general meeting.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Section entitled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement for further details.

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

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions set out in this Offer Information Statement, including **Appendices A to D** of this Offer Information Statement, the PAL, the ARE and the ARS.

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

Not applicable. The Rights Issue is not underwritten.

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PART VII – ADDITIONAL INFORMATION

STATEMENTS BY EXPERTS

1. **Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.**
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Not applicable. No statement or report attributed to a person as an expert is included in this Offer Information Statement.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert—**
- (a) **state the date on which the statement was made;**
 - (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
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Not applicable. No statement has been made by an expert in this Offer Information Statement.

3. **The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**
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Not applicable. No statement has been made by an expert in this Offer Information Statement.

CONSENTS FROM ISSUE MANAGERS AND UNDERWRITERS

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
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The Manager has given and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as the Manager of the Rights Issue.

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

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OTHER MATTERS

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

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

PART VIII: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART IX: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

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

1. Provide -

- (a) The particulars of the rights issue;
- (b) The last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;
- (c) The last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;
- (d) The last day and time for renunciation of and payment by the renounce for the securities to be issued pursuant to the rights issue;
- (e) The terms and conditions of the offer of securities to be issued pursuant to the rights issue;
- (f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and
- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

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- (a) Please refer to section entitled "Principal Terms of the Rights Issue" of this Offer Information Statement for the particulars of the Rights Issue.
 - (b) The last date and time for the splitting of the provisional allotment of the Rights Shares is on 6 December 2017 at 5.00 pm.
 - (c) The last date and time for acceptance of and payment for the Rights Shares is on 12 December 2017 at 5.00 pm. (at 9.30 p.m. for Electronic Applications).
 - (d) The last date and time for acceptance of and payment by the renounee for the Rights Shares is on 12 December 2017 at 5.00 p.m.

Entitled Depositors who wish to renounce their provisional allotments of Rights Shares in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his provisional allotment of Rights Shares.

- (e) The terms and conditions of the Rights Issue are as set out in this Offer Information Statement, including **Appendices A to D**, and in the PAL, the ARE and the ARS.

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- (f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and
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Each of Mr Ip and Mdm Lim as substantial shareholders and the Undertaking Shareholders, had on 23 June 2017, pursuant to deeds of undertakings, irrevocably and unconditionally undertaken to the Company to, *inter alia*, subscribe for and/or procure the subscription of their pro-rata

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entitlement of the Rights Shares under the Rights Issue. The Undertaking Shareholders will be entitled to subscribe for an aggregate of 62,732,515 Rights Shares.

In addition, the Undertaking Shareholders have undertaken that each of them will obtain a confirmation letter in a format that is acceptable to the Company and the Manager that they each have the necessary financial resources to fulfil their obligations under the Irrevocable Undertakings.

The aggregate payment for the subscription of Mr Ip's pro-rata entitlement of the Rights Shares under the Rights Issue is to be satisfied partially by the offsetting of an outstanding loan amount of S\$235,738 owed by the Company to Mr Ip, (the "**Loan Amount owed to Mr Ip**"), leaving a balance of approximately S\$278,780 to be paid by Mr Ip in cash.

The aggregate payment for the subscription of Mdm Lim's pro-rata entitlement of the Rights Shares under the Rights Issue is to be satisfied entirely by offsetting the outstanding amount of S\$535,000 owed by the Company to Mdm Lim (the "**Loan Amount owed to Mdm Lim**"), which leaves a balance of S\$108,530 to be paid by the Company to Mdm Lim ("**Balance Sum**"). The breakdown is as follows:

	Amount to be paid for pro-rata entitlement of the Rights Shares (S\$)	Loan amount owed to Mr Ip and Loan amount owed to Mdm Lim ("Outstanding Loans") (S\$)	Balance to be paid for pro-rata entitlement of the Rights Shares (S\$)
Mr Ip	514,518	235,738	278,780
Mdm Lim	426,470	535,000	(108,530)

Further, while the Rights Issue is not underwritten, Mdm Lim has undertaken that in relation to the remaining Excess Rights Shares, she will, subscribe and pay in full any balance of Excess Rights Shares that are not taken up by the Shareholders (excluding the Undertaking Shareholders) ("**Balance Excess Rights Shares**"). The aggregate payment for the subscription of Balance Excess Rights Shares is to be satisfied partially by the offsetting of the Balance Sum, and the remaining sum of S\$345,726 will be paid by Mdm Lim in cash.

The Irrevocable Undertakings by each of the Undertaking Shareholder are subject to and conditional upon the following:

- (a) receipt of the listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares on the Catalist; and
- (b) the lodgement of this Offer Information Statement together with all other accompanying documents by the Company with the SGX-ST acting as agent on behalf of the MAS.

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

The Rights Issue will not be underwritten. In view of the Irrevocable Undertaking and the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, the Company has decided to proceed with the Rights Issue without having the Rights Issue being underwritten by any financial institution.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE LISTING MANUAL**

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

The working capital of the Group for the last three (3) financial years as at 30 June 2015, 30 June 2016 and 30 June 2017:

	Audited 30 June 2015 (S\$'000)	Audited 30 June 2016 (S\$'000)	Audited 30 June 2017 (S\$'000)
Total Current Assets	18,931	15,634	12,417
Total Current Liabilities	15,718	10,641	8,861
Working Capital	3,213	4,993	3,556

A review of the working capital of the Group for the relevant periods is set out below:

30 June 2017 compared to 30 June 2016

Current Assets

Inventories decreased by approximately S\$0.61 million as at 30 June 2017 after net of inventories written down. The decrease in inventory was mainly due to less purchases during the current financial year.

Trade receivables decreased from S\$6.21 million as at 30 June 2016 to S\$5.04 million as at 30 June 2017. The decrease was mainly due to lower sales orders from the customers during the current financial year reported. The average trade receivables turnover days of the group was 87 days (FY2016: 89 days).

Other receivables as at 30 June 2017 consist mainly of deposits and prepayments (S\$0.33 million), tax recoverable mainly from Malaysian and Slovakia tax authorities (S\$0.11 million) and other receivables (S\$0.06 million). The decrease was mainly due to the decrease in prepaid expenses and repayment of staff loans by the staffs during the current financial year.

Current Liabilities

Trade payables decrease from S\$3.32 million as at 30 June 2016 to S\$2.61 million as at 30 June 2017. The decrease in trade payables was mainly due to less purchases of materials made caused lower demand from customers.

Other payables as at 30 June 2017 comprised mainly:

- a. Accrued expenses of S\$1.12 million, mainly accrued employee related expenses and other non-trade related expenses;
- b. Other creditors of approximately of S\$1.20 million (mainly construction cost of S\$0.90 million);
- c. Amount due to a director of approximately S\$0.77 million, which is unsecured, interest-free, and with no fixed terms of repayment. The amount due to a director was used for temporary cash management purpose of the Company and it does not affect the going concern of the Group;

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

- d. approximately S\$0.62 million for others consist of provision of withholding tax, provision for directors' fees and rental and deposit received.

The decreased of other payables from S\$4.42 million as at 30 June 2016 to S\$3.71 million as at 30 June 2017 was mainly due to payment to the seller for the acquisition of CFM Infratrade Pte. Ltd..

30 June 2016 compared to 30 June 2015

Current Assets

Inventories decreased by approximately S\$0.78 million as at 30 June 2016 after net of inventories written down. The decrease in inventory was mainly due to less purchases during the current financial year.

Trade receivables decreased from S\$8.81 million as at 30 June 2015 to S\$6.21 million as at 30 June 2016. The decrease in trade receivable is in line with the decrease in the revenue during the current financial year. Trade receivables turnover has decreased from 104 days to 94 days.

Other receivables as at 30 June 2016 consist mainly of deposits and prepayments (S\$0.37 million), tax recoverable mainly from Malaysian and Slovakia tax authorities (S\$0.17 million) and other receivables (S\$0.15 million).

Current Liabilities

Trade payables decrease from S\$3.79 million as at 30 June 2015 to S\$3.32 million as at 30 June 2016. The decrease in trade payables was mainly due to less purchases of materials made due to lower demand from customers.

Other payables as at 30 June 2016 comprised mainly:

- a. Accrued expenses of S\$2.11 million, mainly consideration payable for the acquisition of CFM Infratrade Pte. Ltd., accrued employee related expenses and other non-trade related expenses;
- b. Other creditors of approximately of S\$1.33 million (mainly construction cost of S\$0.90 million);
- c. Amount due to a director of approximately S\$0.78 million, which is unsecured, no interest bearing, and with no fixed terms of repayment. The amount due to a director was used for temporary cash management purpose of the Company and it does not affect the going concern of the Group;
- d. Other of approximately of S\$0.20 million consisting of provision of withholding tax, provision for directors' fees and rental and deposit received.

The increased of other payables from S\$4.27 million as at 30 June 2015 to S\$4.42 million as at 30 June 2016 was mainly due to increase in advance from a director, offset by payment to the seller for the acquisition of CFM Infratrade Pte. Ltd. and decrease in provision for bonus and other employee benefits.

30 June 2015 compared to 30 June 2014

Current Assets

Inventories decreased by approximately S\$0.31 million as at 30 June 2015 after net of inventories written down.

Trade receivables increased from S\$7.26 million as at 30 June 2014 to S\$8.81 million as at 30 June 2015 due to slower receipts from some customers. Trade receivables turnover has increased from 76 days to 104 days.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

Other receivables for FY2015 consist mainly of deposits and prepayments (S\$0.68 million), tax recoverable mainly from Malaysian tax authority (S\$0.09 million) and other receivables (S\$0.08 million). It has decreased from S\$1.04 million as at 30 June 2015 to S\$0.83 million as at 30 June 2015. The decrease was mainly due to tax refund received for a subsidiary.

Current Liabilities

Trade payables as of 30 June 2015 remained relatively unchanged for FY2014 and FY2015.

Other payables and provision increased from S\$4.50 million as at 30 June 2014 to S\$4.57 million as at 30 June 2015 mainly due to accrual of construction and consultancy fees of S\$0.30 million for the Singapore building and additional construction cost of S\$0.89 million, but offset by payment of the prior year construction cost of S\$1.27 million to the builder of the Singapore factory by the financial institution.

CONVERTIBLES SECURITIES

-
- 2. Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual.**
-

Not applicable. The Rights Issue does not involve an issue of convertible securities.

- 3. Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**
-

Not applicable. The Rights Issue does not involve an issue of convertible securities and will not be underwritten.

RESPONSIBILITY STATEMENTS

-
- 4. A statement by the sponsor and each financial adviser in the form set out in Practice Note 12A of the Listing Manual.**
-

As provided in Appendix 8A of the Catalist Rules, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

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

1. INTRODUCTION

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

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

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

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

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

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or

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

insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

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

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

2. MODE OF ACCEPTANCE AND APPLICATION

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

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

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

2.2 Acceptance/Application through CDP

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

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and, the number of excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft and

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

- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:
- (i) by hand to **CFM HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20, THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **CFM HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**

in each case so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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

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

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

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

2.4 Insufficient payment

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

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

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

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

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

- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraphs 2.1 or 2.3 above.

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

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

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. You may obtain a copy from The Central Depository (Pte) Limited. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

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

2.7. Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to

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

renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is 5.00 p.m. on 12 December 2017 (if acceptance is made through CDP) or 9.30 p.m. on 12 December 2017 (if acceptance is made through an ATM of a Participating Bank) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

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

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF SIX (6) RIGHTS SHARES FOR EVERY SEVEN (7) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.015)

As an illustration, if an Entitled Depositor has 7,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 6,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

- | | |
|---|---|
| (a) Accept his entire provisional allotment of 6,000 Rights Shares and (if applicable) apply for excess Rights Shares | (1) Accept his entire provisional allotment of 6,000 Rights Shares and (if applicable) apply for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 12 December 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or |
| | (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 6,000 Rights Shares and (if applicable) the number of excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$90.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to " CDP – CFM HOLDINGS LIMITED RIGHTS ISSUE ACCOUNT " and crossed " NOT NEGOTIABLE, A/C PAYEE ONLY " for the full amount due on acceptance and (if applicable) application, by hand to CFM HOLDINGS |

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

Alternatives

Procedures to be taken

LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20, THE METROPOLIS, SINGAPORE 138588 or by post, at his own risk, in the self-addressed envelope provided to **CFM HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

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

(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST.

- (1) **By way of Electronic Application**, accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 12 December 2017**; or
- (2) **Through CDP**, complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$15.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 5000 Rights Shares which is not accepted by the Entitled Depositor may be traded on Catalist during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.

- (1) **By way of Electronic Application**, accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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

Alternatives

Procedures to be taken

- (2) **Through CDP**, complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE together with a single remittance for S\$15.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 5,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 12 December 2017** or if an acceptance is not made through **CDP by 5.00 p.m. on 12 December 2017**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

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

- (a) **9.30 P.M. ON 12 DECEMBER 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (b) **5.00 P.M. ON 12 DECEMBER 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS, or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank **by 9.30 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP (where acceptance is through CDP) or by crediting their accounts with the relevant Participating Banks (where acceptances is through Electronic Application).

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

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

5.2 Appropriation

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

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

5.3 Availability of Excess Rights Shares

The excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and Substantial Shareholders, Directors and the Undertaking Shareholder will rank last in priority. The Company reserves the right to refuse any application for excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of excess Rights Shares allotted to an Entitled Depositor is less than the number of excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Rights Shares actually allotted to him.

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

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

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — CFM HOLDINGS LIMITED RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **CFM HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20, THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **CFM HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Rights Shares is effected by **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

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

All monies received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITOR'S OR PURCHASERS' (AS THE CASE MAY BE) OWN RISK** to their mailing addresses as maintained in the records of CDP (where acceptance is through CDP), or by crediting their accounts with the relevant Participating Banks (where acceptance is through Electronic Application).

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

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

5.5. Certificates

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

5.6. General

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

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

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

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

CDP Phone User Guide

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

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

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

6. PERSONAL DATA PRIVACY

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

APPENDIX B - PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERES

- 1.6 **Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares through Catalist will be effected under the book entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on Catalist.**
- 1.7 Unless expressly provided to the contrary in this Offer Information Statement or the PAL with respect to enforcement against Entitled Scripholders or their renounees, a person who is not a party to any contract made pursuant to this Offer Information Statement or the PAL has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore to enforce any term of such contracts.

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

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

Entitled Scripholders who wish to accept their entire provisional allotments of Rights Shares or to accept any part of it and decline the balance, should complete and sign Form A of the PAL for the number of Rights Shares which they wish to accept and forward the PAL at their own risk, in its entirety, together with payment in the prescribed manner to **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 of this **Appendix B** entitled "**Appropriation**" which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

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

3. REQUEST FOR SPLITTING (FORM B) AND RENUNCIATION (FORM C)

Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments in favour of more than one (1) person, should first, using Form B, request to have their provisional allotments under the PAL split into separate PALs (the "**Split Letters**") according to their requirements.

The duly completed Form B together with the PAL, in its entirety, should be returned, by post in the self-addressed envelope provided, at their own risk, to **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 6 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to

APPENDIX B - PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERES

Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 6 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing Form C before delivery to the renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than 5.00 p.m. on 6 December 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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

4. FORM OF NOMINATION (FORM D)

The renounee(s) should complete and sign Form D and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. CONSOLIDATION OF RIGHTS SHARES

Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A of the PAL and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly complete and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them.

All the renounced PALs and Split Letters, each duly completed and signed, must be attached to Form A or Form D (as the case may be).

6. PAYMENT

Unless acceptance and payment for the full amount due on acceptance in relation to PALs made in Singapore currency is in the form of a Banker's Draft or Cashier's Order drawn on a bank in Singapore and made payable to "**CFM RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written on the reverse side of the remittance is received by **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER,**

APPENDIX B - PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERES

SINGAPORE 048623 by 5.00 p.m. on 12 December 2017 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void.

Such provisional allotments of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith by **ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or share of revenue or benefit arising therefrom within fourteen (14) days after the Closing Date.

ACCEPTANCES ACCOMPANIED BY ANY OTHER FORM OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE REJECTED.

7. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

Entitled Scripholders who wish to apply for excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Form E of the PAL and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Rights Shares applied for in the form and manner set out above, by post in the self-addressed envelope provided, at their own risk, to **CFM HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 12 December 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

Applications for excess Rights Shares by Entitled Scripholders are subject to the terms and conditions contained in the PAL, Form E and this Offer Information Statement and (if applicable) the Articles of Association of the Company. Applications for excess Rights Shares will, at the Directors' discretion, be satisfied from such Rights Shares as are not validly taken up, the unsold "**nil-paid**" provisional allotments (if any) of Foreign Shareholders, the aggregated fractional entitlements and any Rights Shares that are otherwise not allotted for any reason. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to allot the excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to reject or refuse, in whole or in part, any application for excess Rights Shares without assigning any reason thereof.

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

8. GENERAL

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

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

APPENDIX B - PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERES

Upon listing and quotation on Catalist, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through Catalist and/or CDP shall be made in accordance with the **“Terms and Conditions for Operation of Securities Accounts with CDP”** and the **“Terms and Conditions for CDP to act as Depository for the Rights Shares”**, as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on Catalist under the book entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Account) in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card (“NRIC”)/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers their Securities Accounts currently maintained with CDP, will be issued physical certificates in their names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. Such physical certificates, if issued, will be forwarded to them by ordinary post at their own risk, but will not be valid for delivery pursuant to trades done on Catalist under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title.

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

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

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5.00 P.M. ON 12 DECEMBER 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

9. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Shareholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix A) for the Purposes (as defined in Appendix A); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX C – PROCEDURES TO COMPLETE ARE AND ARS

PROCEDURE TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you

XX,XXX

This is your shareholdings as at Record Date.

Shares as at XX April 2017 (Record Date)

This is the date to determine your rights entitlements.

Number of Rights Shares provisionally allotted*

XX,XXX

This is your number of rights entitlement.

Issue Price

S\$0.0X per Rights Share

This is price that you need to pay when you subscribe for one rights share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by XX May 2017 at 9.30 p.m.

Participating Banks are XXX, XXX and XXX.

This is the last date and time to subscribe for the rights share through ATM and CDP.

2. Mail Complete section below and submit this form to CDP by XX May 2017 at 5.00 p.m.

(i) Only BANKER'S DRAFT/CASHIER'S ORDER payable to "CDP – XXXXX RIGHTS ISSUE ACCOUNT" will be accepted

(ii) Applications using a PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER will be **rejected**

(iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

You can apply your rights shares through ATMs of these participating banks.

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

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

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The procedures for Electronic Applications at ATMs of the Participating Bank are set out on the ATM screens of the relevant Participating Bank (the “Steps”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one (1) Participating Bank cannot be used in respect of the acceptance and (if applicable) excess application for Rights Shares at an ATM belonging to other Participating Bank. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Shareholder or the purchaser of the provisional allotment of Rights Shares who accepts or (as the case may be) applies for the Rights Shares through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one (1) of the Participating Bank before he can make an Electronic Application at the ATMs of that Participating Bank. The actions that the Applicant must take at ATMs of the other Participating Bank are set out on the ATM screens of the relevant Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Applicant and should not be submitted with any ARE/ARS.

For investors who hold Shares through finance companies or Depository Agents, or SRS investors who had bought Shares using their SRS accounts, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares must be done through the respective finance companies, Depository Agents or approved banks. Such investors and SRS investors are advised to provide their respective finance companies, Depository Agents or approved banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Bank, the Share Registrar and/or the Company will be rejected.

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

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance/application liable to be rejected.

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement, including but not limited to the terms and conditions appearing below.

- (1) In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and application for the Rights Shares and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**

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- (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, Securities Clearing & Computer Services (Pte) Ltd (SCCS), CDP, CPF, the SGX-ST, and the Company and the Manager (the “Relevant Parties”).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the 2 statements. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act (Chapter 19), to the disclosure by that Participating Bank of the Relevant Particulars of his account with that Participating Bank to the Relevant Parties.

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept the lesser of the number of Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the Transaction Record or the number of provisionally allotted Rights Shares standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such excess Rights Shares or not to allot any excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as final.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key on the ATM) of the number of Rights Shares accepted or excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted or excess Rights Shares applied that may be allotted to him.
- (5) In the event that the Applicant accepts the Rights Shares by way of a ARE and/or a ARS (as the case may be) and/or by way of acceptance through the Electronic Application through the ATM, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Shares that the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept such number of Rights Shares not exceeding the number of provisionally allotted Rights Shares that are standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date, and CDP, in determining the number of Rights Shares that the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptances, whether by way of banker’s draft or cashier’s order accompanying the ARE and/or ARS by way of acceptance through the Electronic Application through the ATM.
- (6) If applicable, in the event that the Applicant applies for excess Rights Shares by way of a ARE and by way of application through the Electronic Application through the ATM, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares not exceeding the aggregate number of excess Rights Shares for which he has applied by way of application through Electronic Application through the ATM and by way of ARE. CDP, in determining the number of excess Rights Shares which the Applicant has given valid instructions

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for application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Rights Shares, whether by way of banker's draft or cashier's order accompanying the ARE by way of application through Electronic Application through the ATM.

- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register or procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return (without interest or any share of revenue or other benefit arising therefrom) the application monies, should his Electronic Application for Rights Shares or excess Rights Shares not be accepted, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date; and
 - (c) return (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of the Company, CDP, the Participating Banks, and/or the Manager), and any other events beyond the control of the Company, CDP, the Participating Banks, and/or the Manager and if, in any such event, our Company, CDP, the Participating Banks, and/or the Manager do not record or receive the Applicant's Electronic Application, or data relating to the Applicant's Electronic Application or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Participating Banks, and/or the Manager for the purported acceptance of the Rights Shares accepted and (if applicable) excess Rights Shares applied for or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) **ELECTRONIC APPLICATIONS MAY ONLY BE MADE AT THE ATMS OF THE PARTICIPATING BANKS FROM MONDAYS TO SATURDAYS (EXCLUDING PUBLIC HOLIDAYS) BETWEEN 7.00 A.M. TO 9.30 P.M.**
- (11) Electronic Applications shall close at 9.30 p.m. on 12 December 2017 or such other time as the Directors may, in their absolute discretion, decide.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy of such particulars. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of the other Participating Banks that does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

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- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the application monies will be refunded in S\$ (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within fourteen (14) days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of application monies will be refunded.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at 9.30 p.m. on 12 December 2017 or such later time or date as the Directors may, in their absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any amendment to this Offer Information Statement or replacement or supplemental document is lodged with the SGX-ST, acting as an agent on behalf of the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the Participating Banks, not the Manager shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP, or the Participating Banks due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective controls;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares or acceptance of his application for excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the relevant parties to amend or vary (including any release or compromise of liability) or terminate such contracts. Where the third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical. Otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and/or other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.

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- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for excess Rights Shares, as the case may be, by way of ARE or ARS or by way of Electronic Application through the ATMs, the provisionally allotted Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the amount paid on acceptance and (if applicable) application or the surplus application monies, as the case may be, will be refunded without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one (1) or a combination of the following:
- (a) by means of a crossed cheque drawn on a bank in Singapore sent BY ORDINARY POST at his own risk to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distribution if he accepts and (if applicable) applies through CDP; and
 - (b) crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of a Participating Bank.
- (19) The Applicant acknowledges that, in determining the total number of Rights Shares represented by the provisional allotments of Rights Shares which he can validly accept, CDP and the Company are entitled and the Applicant authorises the Company and CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares that the Applicant has validly accepted, whether under the ARE(s) or any other form of application (including Electronic Application through an ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "**Free Balance**" of the Entitled Depositor's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Entitled Depositor.
- The Applicant acknowledges that CDP's and the Company's determination shall be conclusive and binding on him.
- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the excess Rights Shares which the Applicant has applied for.
- (21) With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS, (if applicable) the Constitution of the Company and/or other application form for the Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the PAL, the ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

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

This Offer Information Statement is dated 24 November 2017.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of
CFM HOLDINGS LIMITED

Ip Kwok Wing

Lim Fong Li Janet

Kenneth Ip Yew Wa

Er Kwong Wah

Ong Wei Jin