

## OFFER INFORMATION STATEMENT DATED 1 OCTOBER 2015

(Lodged with the Monetary Authority of Singapore on 1 October 2015)

**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 IMMEDIATELY.**

A copy of this offer information statement ("**Offer Information Statement**"), together with a copy of the Provisional Allotment Letter ("**PAL**"), the Application Form for Rights Shares and Excess Rights Shares ("**ARE**") and the Application Form for Rights Shares ("**ARS**") have been lodged with the Monetary Authority of Singapore ("**Authority**"). The Authority assumes no responsibility for the contents of the Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289, of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) being offered or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation will commence after the Rights Shares certificates have been issued and the allotment letters from The Central Depository (Pte) Limited ("**CDP**") have been despatched.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and/or opinions expressed herein. Approval in-principle granted by the SGX-ST for admission to the SGX-ST and the dealing in, listing of and quotation for the Rights Shares are in no way reflective of and are not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights Shares, Heeton Holdings Limited ("**Company**") and/or its subsidiaries, or the Shares (as defined herein).

The directors of the Company ("**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.

**After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement, and no officer or equivalent person or promoter of the Company will authorise or permit the allotment or allocation 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.**



### HEETON HOLDINGS LIMITED

(Company Registration No. 197601387M)  
(Incorporated in the Republic of Singapore)

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 89,538,398 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S\$0.493 FOR EACH RIGHTS SHARE (THE "ISSUE PRICE"), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") HELD BY THE SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED (THE "RIGHTS ISSUE"), FRACTIONAL ENTITLEMENTS BEING DISREGARDED**

#### IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of Rights Shares	:	12 October 2015 at 5.00 p.m.
Last date and time for acceptance and payment for Rights Shares	:	16 October 2015 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein) through ATMs (as defined herein) of the Participating Banks (as defined herein))
Last date and time for renunciation of, acceptance of and payment of Rights Shares by renounees	:	16 October 2015 at 5.00 p.m.
Last date and time for acceptance and payment for Excess Rights Shares	:	16 October 2015 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)

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## IMPORTANT NOTES

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

**For Entitled Depositors (which excludes Entitled Scripholders, CPFIS Members and investors who hold Shares through a finance company or Depository Agent), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM.**

**For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar.**

**For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies or Depository Agents and in the case of investors who had bought Shares under the CPF investment scheme – Ordinary Account (“CPFIS Members”), their respective approved CPF agent bank. Any application made directly through CDP or through ATMs will be rejected.**

**For CPFIS Members, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares can only be made using CPF ordinary account savings, (subject to the availability of investible savings) (“CPF Funds”). In the case of insufficient CPF Funds or stock limit, CPFIS Members 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.**

**Entitled Shareholders who had purchased the Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights Shares and (if applicable) application for Excess Rights Shares. Such Entitled Shareholders who wish to accept their 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 Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Entitled 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 approved banks before instructing their respective approved banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts 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. SRS monies may not be used for the purchase of the provisional allotment of the Rights Shares directly from the market. Any acceptance of the Rights Shares provisionally allotted pursuant to these Shares and (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar and/or the Company and/or an ATM, will be rejected.**

The existing Shares are quoted on the Official List of the SGX-ST.

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## IMPORTANT NOTES

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Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, risk factors, profits and losses, financial position, performance and prospects of the Company, the Group and the rights and liabilities attaching to the Rights Shares. They should also 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 the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their legal, financial, tax or other professional advisers before deciding whether to subscribe for the Rights Shares or to purchase any Shares.

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 or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. 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 Company or 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 material change in the affairs of the Company or the Group, or any of the information contained herein since the Latest Practicable 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 Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement Offer Information Statement, as the case may be, shall be deemed to have notice of such changes.

The Company is not making any representation to any person regarding the legality of an investment in the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations.

The Company makes no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, 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 its accompanying documents shall be construed as a recommendation to accept or purchase the Rights Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom these documents are dispatched by the Company, their renounees and Purchasers) or for any other purpose.

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## IMPORTANT NOTES

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**This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by or on behalf of the Company to subscribe for any Rights Shares and/or may not be used for the purpose of, and do not constitute an offer, invitation to or solicitation to anyone in any jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.**

**The distribution of this Offer Information Statement (and/or its accompanying documents) and the purchase, exercise of or subscription for the Rights Shares may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Entitled Shareholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised by the Company to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company.**

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## CORPORATE INFORMATION

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<b>Directors of the Company</b>	:	Toh Khai Cheng ( <i>Non-Executive Chairman</i> ) Toh Giap Eng ( <i>Chief Executive Officer, Executive Director</i> ) Low Yee Khim ( <i>Executive Director</i> ) Toh Gap Seng ( <i>Non-Executive Director</i> ) Tan Tiong Cheng ( <i>Non-Executive, Lead Independent Director</i> ) Chew Chin Hua ( <i>Non-Executive, Independent Director</i> ) Chia Kwok Ping ( <i>Non-Executive, Independent Director</i> )
<b>Registered Office of the Company</b>	:	60 Sembawang Road #01-02 Hong Heng Mansions Singapore 779088
<b>Legal Adviser to the Company</b>	:	<b>Rodyk &amp; Davidson LLP</b> 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
<b>Share Registrar</b>	:	<b>M &amp; C Services Private Limited</b> 112 Robinson Road #05-01 Singapore 068902

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## DEFINITIONS

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

<b>“1Q”</b>	:	The three (3) month financial period ended 31 March
<b>“2H”</b>	:	The six (6) month financial period ended 31 December
<b>“2Q”</b>	:	The three (3) month financial period ended 30 June
<b>“3Q”</b>	:	The three (3) month financial period ended 30 September
<b>“4Q”</b>	:	The three (3) month financial period ended 31 December
<b>“ARE”</b>	:	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
<b>“ARS”</b>	:	Application and acceptance form for Rights Shares to be issued to Purchasers
<b>“Articles of Association”</b>	:	The articles of association of the Company, as amended, modified or supplemented from time to time
<b>“ATM”</b>	:	Automated teller machine(s) of the Participating Bank
<b>“Authority”</b>	:	Monetary Authority of Singapore
<b>“Board” or “Directors”</b>	:	The directors of the Company as at the date of this Offer Information Statement
<b>“Books Closure Date”</b>	:	29 September 2015 at 5.00 p.m., being the date on which the share transfer books and the register of members of the Company will be closed in order to determine, in relation to Entitled Shareholders, their provisional allotment of the Rights Shares under the Rights Issue
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Closing Date”</b>	:	(a) 5.00 p.m. on 16 October 2015, 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 CDP or the Share Registrar; or



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## DEFINITIONS

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(b) 9.30 p.m. on 16 October 2015, 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

<b>“Companies Act”</b>	:	The Companies Act, Chapter 50, of Singapore
<b>“Company” or “Issuer”</b>	:	Heeton Holdings Limited
<b>“CPF”</b>	:	The Central Provident Fund
<b>“CPF Funds”</b>	:	Has the meaning ascribed to it in the section entitled “Important Notes” of the Offer Information Statement
<b>“CPFIS Members”</b>	:	Has the meaning ascribed to it in the section entitled “Important Notes” of this Offer Information Statement
<b>“EBITDA”</b>	:	Earnings before interest, tax, depreciation and amortisation
<b>“Electronic Applications”</b>	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application through an ATM as set out in this Offer Information Statement or on ATM screens of the relevant Participating Bank
<b>“Entitled Depositor(s)”</b>	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
<b>“Entitled Scripholder(s)”</b>	:	Shareholders whose share certificates are not deposited with CDP 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 and whose registered addresses with the Share Registrar are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days before the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
<b>“Entitled Shareholders”</b>	:	Entitled Depositors and Entitled Scripholders

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## DEFINITIONS

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<b>“Excess Application(s)”</b>	:	Applications for Excess Rights Shares by Entitled Shareholders
<b>“Excess Rights Shares”</b>	:	Rights Shares in excess of the provisional allotments of Entitled Shareholders to the extent that they are not subscribed by Entitled Shareholders
<b>“Existing Share Capital”</b>	:	The existing issued and paid-up share capital of the Company of 268,615,194 Shares as at the Latest Practicable Date
<b>“Foreign Purchasers”</b>	:	Persons purchasing the provisional allotment of rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
<b>“Foreign Shareholders”</b>	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
<b>“FY”</b>	:	Financial year ended on 31 December
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“HDD”</b>	:	Hard disk drive
<b>“HY”</b>	:	The six (6) month financial period ended 30 June
<b>“Irrevocable Undertakings”</b>	:	The irrevocable undertakings dated 12 August 2015 by Hong Heng Company Private Limited, Heeton Investments Pte Ltd, Toh Khai Cheng, Toh Giap Eng and Toh Gap Seng
<b>“Issue Price”</b>	:	The issue price of the Rights Shares, being S\$0.493 for each Rights Share
<b>“Latest Practicable Date”</b>	:	23 September 2015, being the latest practicable date prior to the printing of this Offer Information Statement
<b>“Listing Manual”</b>	:	The Listing Manual of the SGX-ST
<b>“Maximum Subscription Scenario”</b>	:	Based on the Existing Share Capital and assuming that all of the Entitled Shareholders subscribe and pay for their <i>pro rata</i> entitlements of Rights Shares

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## DEFINITIONS

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<b>“Minimum Subscription Scenario”</b>	:	Based on the Existing Share Capital and assuming that none of the Entitled Shareholders, other than the Undertaking Shareholders in respect of their respective <i>pro rata</i> entitlements to Rights Shares, subscribes and pays for their entitlements of Rights Shares, subject to the terms of each of their Irrevocable Undertakings
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“NRIC”</b>	:	National Registration Identity Card
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Information Statement”</b>	:	This document, together with the PAL, the ARE and the ARS and all other accompanying documents including, where the context so admits, any supplementary or replacement documents to be issued by the Company in connection with the Rights Issue
<b>“PAL”</b>	:	The provisional allotment letter to be issued to the Entitled Scripholders, setting out the provisional allotment of Rights Shares of such Entitled Scripholders
<b>“Participating Banks”</b>	:	United Overseas Bank Limited (and its subsidiary, Far Eastern Bank Limited) and DBS Bank Ltd (including POSB)
<b>“Purchasers”</b>	:	Persons purchasing the provisional allotment of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are within Singapore
<b>“Record Date”</b>	:	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 with the Company or the Securities Accounts of the Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<b>“Rights Issue”</b>	:	The proposed renounceable non-underwritten rights issue by the Company of up to 89,538,398 Rights Shares at the Issue Price on the basis of one (1) Rights Share for every three (3) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded
<b>“Rights Mailing Address”</b>	:	Has the meaning ascribed to it in the section entitled “Eligibility of Shareholders to the Rights Issue” in the Offer Information Statement

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## DEFINITIONS

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<b>“Rights Shares”</b>	:	Up to 89,538,398 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
<b>“Securities Account”</b>	:	Securities account maintained by a Depositor with CDP (but does not include a sub-securities account maintained with a Depository Agent)
<b>“Securities and Futures Act”</b>	:	The Securities and Futures Act, Chapter 289, of Singapore
<b>“Securities Industry Council”</b>	:	Securities Industry Council of the Monetary Authority of Singapore
<b>“SFR”</b>	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Registrar”</b>	:	M & C Services Private Limited
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with such Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“sq ft”</b>	:	Square feet
<b>“SRS”</b>	:	Supplementary Retirement Scheme, a voluntary scheme to encourage individuals to save for retirement, over and above their CPF savings
<b>“Substantial Shareholder”</b>	:	A substantial Shareholder within the meaning of Section 81 of the Companies Act
<b>“Takeover Code”</b>	:	The Singapore Code on Take-Overs and Mergers
<b>“UK”</b>	:	United Kingdom
<b>“Undertaking Shareholders”</b>	:	Hong Heng Company Private Limited, Heeton Investments Pte Ltd, Toh Khai Cheng, Toh Giap Eng and Toh Gap Seng
<b>“Unit Share Market”</b>	:	The unit share market of the SGX-ST, which allows the trading of odd lots
<b>“%” or “per cent.”</b>	:	Percentage or per centum

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## DEFINITIONS

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“S\$” and “cents” : Singapore dollars and cents, respectively

“US\$” and “US cents” : United States of America dollars and cents, respectively

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The headings in this Offer Information Statement, the PAL, the ARE or the ARS are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

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

The words “**written**” and “**in writing**” include any means of visible reproduction.

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

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

Any reference to a time of day or date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time and date, 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 date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

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

Where any word or expression is defined in this Offer Information Statement, such definition shall extend to the grammatical variations of such word or expression.

References in this Offer Information Statement to “we”, “our” and “us” refer to the Group or any member of the Group as the context requires.

**Any reference to announcements of or by the Company in this Offer Information Statement, the ARE, the ARS and the PAL includes announcements by the Company posted on the website of the SGX-ST at <http://www.sgx.com>.**

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## INDICATIVE TIMETABLE OF KEY EVENTS

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An indicative timetable for the Rights Issue is set out below. For 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 traded ex-rights	:	25 September 2015
Books Closure Date	:	29 September 2015
Despatch of Offer Information Statement, the ARE, the ARS and the PAL (as the case may be) to Entitled Shareholders	:	2 October 2015
Commencement of trading of “nil-paid” Rights	:	2 October 2015
Last date and time of trading of “nil-paid” Rights	:	12 October 2015
Last date and time for splitting and trading of Rights Shares	:	12 October 2015
Last date and time for acceptance of and payment for Rights Shares	:	16 October 2015
Last date and time for renunciation of, acceptance and payment for Rights Shares by renounees	:	16 October 2015
Last date and time for application and payment for Excess Rights Shares	:	16 October 2015
Expected date for issuance of Rights Shares	:	23 October 2015
Expected date for crediting of Rights Shares	:	26 October 2015
Expected date for refund of unsuccessful application (if made through CDP)	:	26 October 2015
Expected date for commencement of trading of Rights Shares	:	26 October 2015

The Rights Issue will not be withdrawn after the commencement of ex-rights trading.

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 and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that 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>.

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## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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### 1. ENTITLED SHAREHOLDERS

Entitled Shareholders have been provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept, decline, renounce or in the case of Entitled Depositors only, trade on the SGX-ST (in part or in full) during the provisional allotment trading period prescribed by the SGX-ST their provisional allotments of Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement together with the PAL or the ARE, as the case may be, and other accompanying documents at their respective Singapore addresses.

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

Entitled Depositors should note that all notices and documents will be sent to their last registered address with CDP. Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing ("**Rights Mailing Address**"). Depositors are reminded that any request to CDP to register a Rights Mailing Address or any request to CDP to update its records for a new Rights Mailing Address or to effect any change in address must reach CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589, not later than three (3) Market Days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date.

Entitled Scripholders should note that all notices and documents will be sent to their last registered address with the Share Registrar. Shareholders who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue may provide such a Singapore address by notifying the Share Registrar at 112 Robinson Road #05-01 Singapore 068902 not later than three (3) Market Days prior to the Books Closure Date.

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

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

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## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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### 2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be registered, lodged 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 or into any jurisdiction outside Singapore.

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

The Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited by CDP 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 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.

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

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares commence. Such sale 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 expenses to be incurred.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore and sent at their own risk by ordinary post, or in such other manner as they may have agreed with CDP for the payment of cash distributions. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained for the sole benefit of the Company



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## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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or dealt with as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in respect of such sales or proceeds thereof, of 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 the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be allotted and issued 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 interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar 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 subscribe for any of the Rights Shares unless such offer, invitation or solicitation can lawfully be made without violating any regulation or other legal requirements in those territories.**

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy the applications for Excess Rights Shares (if any) as the Directors may, in their absolute discretion, deem fit in the interest of the Company. All provisional allotments which are not taken up or allotted for any reasons, will be aggregated and allotted to satisfy the applications for Excess Rights Shares (if any) or disposed of otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. In the allotment of Excess Rights Shares, 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

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

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## TRADING

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### 1. Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST subject to certain conditions. The approval in-principle of the SGX-ST is not an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries or the Shares.

Upon listing and quotation on the Official List of the SGX-ST, the Rights Shares, when allotted and issued save as disclosed in paragraph 2 below, will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with CDP" as the same may be amended from time to time. Copies of the above are available from CDP.

### 2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST 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 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 Rights Shares and 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 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 or registration numbers (for corporations) or who provide 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 their Securities Accounts currently maintained with CDP, will be issued physical share certificates for the Rights Shares allotted to them in their own names and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be forwarded to Entitled Scripholders by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from 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(s), or an Entitled Scripholder who has not deposited his share certificates with CDP but wishes to trade on the SGX-ST, must deposit with CDP his share certificates, together with the duly executed instrument(s) 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.

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## TRADING

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### 3. Trading of Odd Lots

All entitlements not allotted or taken up for any reason, will be aggregated and allotted to satisfy applications, if any, for Excess Rights Shares or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

**Shareholders should note that the Rights Shares are quoted on the SGX-ST in board lot sizes of 100 Rights Shares.**

**Entitled Depositors who wish to trade all or part of their provisional allotment of Rights Shares on the Official List of the SGX-ST during the provisional allotments 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.**

**Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the Official List of the SGX-ST.**

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## CAUTIONARY FORWARD-LOOKING STATEMENTS

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

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

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

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## RISK FACTORS

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*An investment in the Shares and the Rights Shares involve a high degree of risk. Shareholders should carefully evaluate each of the material risk factors relating to the Group described below together with all of the other information set forth in this Offer Information Statement. To the best of the Directors' knowledge and belief, all risk factors (save for those which have already been disclosed to the general public) which are material to Shareholders in making an informed judgement of the Rights Issue have been set out in this Offer Information Statement.*

*The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Directors which could materially affect the Group's operations. If any of the following considerations and uncertainties develops into actual events, the business, financial performance and prospects of the Group could be materially and adversely affected. In that event, the trading price of the Shares and/or Rights Shares could decline significantly, and Shareholders may lose all or part of their investment in the Shares and/or the Rights Shares.*

*This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. Please see in particular the section entitled "**Cautionary Notes on Forward-Looking Statements**" of this Offer Information Statement relating to such forward-looking statements.*

### **RISKS RELATING TO OUR BUSINESS**

#### **(a) The Group's business is dependent on consumer preferences**

The Group's development properties are dependent on consumer preferences, the popularity of its properties in terms of design and consumer spending trends. Consumer preferences and spending trends are influenced by external factors including the income level of consumers and the markets' demographic profiles. The designs of the properties which appeal to some customers may not appeal to others. It is therefore important that the Group is able to produce designs with sufficient market appeal to attract customers with different preferences. In the event that the Group's competitors are able to introduce more innovative and/or more functional designs or properties that can better cater to customers' needs or that are better accepted by the market, the Group may not be able to maintain its competitive edge and its profitability and financial performance may be adversely affected.

#### **(b) The Group is exposed to construction risk**

The property development projects that the Group undertakes usually require huge initial capital outlay during the construction phase. Such projects usually take between 12 and 36 months to complete. The time taken and the costs involved in completing such property projects can be adversely affected by several factors including shortage of materials, shortage of equipment and labour, adverse weather conditions, disputes with contractors, accidents, delay in approval from the authorities and other unforeseen circumstances. Any of these could delay the completion and launch of the Group's property projects and could result in cost overruns. The Group's profitability will be affected if the Group is not able to pass the cost overruns on to its contractors, or if the Group is unable to launch property projects in accordance with the Group's schedule. Furthermore, delay in project completion beyond the scheduled dates may expose the Group to liquidated damages payable to purchasers of the development.

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## RISK FACTORS

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**(c) The Group is dependent on contractors**

In the ordinary course of its business, the Group relies on its contractors to provide various construction services for its property development projects. While it adopts stringent measures in selecting contractors and ensuring that their works are acceptable according to specifications, there is no assurance that the services and products rendered by the contractors will always be satisfactory and in compliance with the Group's standards and requirements. Should the contractors fail to rectify any unsatisfactory works and/or suitable alternative solutions are not found in a timely manner, the projects may not be completed within the budget and time schedule, resulting in cost overruns and project delays. Moreover, should the contractors fail to sustain their operations due to adverse changes in their financial conditions and suitable replacements are not secured in a timely manner, the Group's projects will be subject to disruption and delay. As a result, the Group's profitability and financial performance may be adversely affected.

**(d) The Group is subject to risks in relation to the prices of building materials, labour and equipment**

The construction costs of the Group's future projects will be subject to fluctuations in the prices of various construction materials, such as metal, stone, cement, sand, pipes, electric cables, sanitary fittings, window and door fittings, light fittings and other materials. In addition, the Group's business is dependent on the construction industry, which is human capital intensive and requires a large number of skilled and unskilled labour. Cost of labour may be subject to further fluctuations.

Similarly, the costs of leasing construction equipment, including excavators, cranes and lifting hoists, may also fluctuate over time due to changing market supply and demand conditions.

In the event that there is a material increase in the costs of construction materials, labour and equipment, the Group's main contractors are likely to pass on such additional costs to the Group and the operating costs of the Group's projects may increase. This may, as a result, have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

**(e) Dependence on Directors and Executive Officers**

The Directors of the Group, including its non-executive Chairman, Toh Khai Cheng, its non-executive Director, Toh Gap Seng, its Chief Executive Officer and Managing Director, Toh Giap Eng and its Chief Operating Officer and Executive Director, Low Yee Khim, have contributed significantly to the success of the Group with their experience in the property-related industry. The success of the Group is dependent on the continued efforts of its Directors with assistance from its Executive Officers. The loss of one or more members of the senior management team may have a direct adverse impact on the Group's future business and continued growth if suitable replacements are not found in a timely manner or at all.

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## RISK FACTORS

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**(f) The Group's ability to compete effectively against its competitors**

In general, the property development industry is intensely competitive and highly fragmented. The Group competes with various property developers and competition between property developers may result in, among other things, increased costs of the acquisition of land for development, oversupply of properties, a decrease in property prices, a slow-down in the rate at which new property developments will be approved and/or reviewed by the relevant government authorities, an increase in construction costs and difficulty in obtaining high quality contractors and qualified employees. In addition, the real estate market globally is rapidly changing, and if the Group cannot respond to changes in market conditions more swiftly or effectively than its competitors, its ability to generate revenue, its financial condition and financial performance will be adversely affected.

To compete successfully, the Group would need to develop innovative property designs, marketing strategies and adopt competitive pricing to attract buyers for its development properties. For its property investment business, the Group competes for tenancy of its investment properties. Competitive pricing from its competitors affects its rental income. This is especially so in a weak economy where demand for properties is poor. In addition, oversupply of development properties or investment properties will also result in price competition. Failure to secure buyers or tenancies or the significant reduction in property prices or rental incomes would have a negative effect on the Group's turnover and profitability.

The Group cannot provide assurance that it will be able to compete effectively or successfully with current or future competitors or that the competitive pressure it faces will not harm the Group's business.

**(g) The Group's profit will depend on the Group's ability to source for new land bank**

In the business of property development, the Group needs to identify the right land for property development in order to achieve good investment returns. The Group replenishes and sources for new land bank through the participation of government tenders and auctions as well as acquiring plots of land from private owners. The Group competes with other property developers for the sourcing of land bank. Failure to secure sizeable land bank for property development would directly affect its turnover.

**(h) Illiquidity of property investment**

Real estate investments are relatively illiquid. Such illiquidity limits the Group's ability to convert real estate assets into cash on short notice or may have a substantial impact on the selling price that might otherwise be sought for such assets to ensure a quick sale. Such illiquidity also limits the ability of the Group to vary its portfolio in response to changes in economic or other conditions.

**(i) The Group may not be able to generate adequate returns on its properties held for long-term investment**

Property investment is subject to varying degrees of risks. The investment returns available from investments in real estate depend primarily on the amount of capital appreciation generated, the income earned from the rental of the relevant properties and expenses incurred. The revenue derived from the disposal of such investment properties will depend on market conditions and levels of liquidity, which may be subject to significant fluctuations arising from the then prevailing economic conditions.

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## RISK FACTORS

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Revenue from the Group's investment properties comes primarily from rental income. The revenue derived from the rental of the relevant properties may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, the inability to secure renewal of tenancies from the Group's tenants, the inability to collect rent due to bankruptcy or insolvency of tenants and the cost from on-going maintenance, repair and re-letting. Factors such as the delay in payment, or non-payment of rent by the Group's tenants or the bankruptcy or insolvency of the Group's tenants would have a negative impact on the Group's turnover and profitability. In addition, the Group is also unable to collect rent for those properties under maintenance, renovation or repair. Such repair, maintenance or renovation is carried out to preserve the value of the Group's properties. The inability to collect rent from the Group's tenants due to non-payment or properties under prolonged maintenance would adversely affect the Group's turnover and profitability.

**(j) Mismanagement of property development projects**

The Group manages property development projects initiated by the Group as the Group believes that good project management is critical to the success of the projects. Depending on the nature of the projects, the Group monitors and supervises work progress, work quality and also ensures adherence to its budgets. The Group's staff would also participate in meetings to discuss issues arising out of the development operations and carry out regular control reviews to ensure that the development projects are properly and efficiently run. The failure to monitor and manage any one of the Group's projects may result in delays and cost overruns which would adversely affect the Group's profitability.

**(k) The Group's ability to identify new property development and investment projects**

The performance of the Group is dependent on the Group's ability to identify potential and profitable property projects. The viability and profitability of property projects are affected by the general economic conditions in the various jurisdictions the Group operates in, the prevailing interest rates and the cost of construction. While the Group has been successful in identifying and developing property projects, it is not possible to guarantee the continuing success of such projects in the future. The failure to identify potential and profitable property projects would have an adverse effect on the Group's turnover and profitability.

**(l) The Group may face disputes with its joint venture partners**

The Group has entered into co-operation agreements and joint ventures with partners in property development and investment projects. As joint ventures generally enable the pooling of financial resources and management expertise in the development of projects to reduce the risks undertaken by a single party, the Group views joint ventures as an important factor in the success of any property development and investment project. Depending on the nature, the Group's equity interest and the extent of its involvement in such projects, the Group may not be able to control the decision-making process of joint venture projects without reference to its joint venture partners. However, the Group would, through contractual provisions and representatives appointed by the Group on board such projects, have the ability to control or influence the decision-making process.

Any dispute among joint venture partners over obligations and differing views would affect the process and profitability of such projects. If there are disagreements between the Group and its joint venture partners regarding the business and operations of the joint ventures, the Group cannot provide assurance that it will be able to resolve them in a manner that will be



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## RISK FACTORS

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in the best interests of the Group. In addition, the Group's joint venture partners may have economic or business interests that are inconsistent with the Group's and may take actions contrary to its instructions or requests. These factors may materially and adversely affect the performance of its joint ventures, which may in turn materially and adversely affect the financial condition and results of operations of the Group.

Political uncertainties or new government regulations (such as restrictions on property ownership) or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint ventures or a loss in the Group's ability to influence the management, directors and decisions made under these joint ventures. There is no assurance that the Group will not, in the future, encounter such business risks which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

**(m) The Group is subject to financing risks and may not have adequate capital resources to finance business activities such as land acquisitions or property developments**

Property development is capital intensive. The availability of adequate financing is crucial to the Group's ability to acquire land and to complete its development projects according to plan. The Group finances its business activities through a combination of internal and external sources of funds. Internal sources of funds comprise mainly cash generated from its operating activities (which include cash inflows arising from sales, leasing and operation of its property developments) and cash and bank balances while external sources comprise mainly bank loans and capital contribution from shareholders. The mismatching cash flows nature of the Group's property development may result in periods where the Group experiences net negative operating cash flows that have to be financed through its existing cash and bank balances and external sources of funds, which represents greater reliance on such sources of funds during these periods.

The Group finances the development of properties by means of equity and debt financing. As a significant amount of funds is required in property projects, in addition to internally generated funds, the Group would typically seek debt financing of between 60 per cent. and 80 per cent. of the cost of development on a secured basis. In addition, the Group may also fund the operations of the Group's investment properties through secured term loans and overdrafts.

For the financing requirements of any property project, the Group would be charged interest on variable interest rates, which fluctuate according to the market rates charged by commercial banks. Consequently, the Group's ability to estimate interest expense in the financing of the Group's property development projects will have an impact on the Group's profitability. The Group tries to secure financing on favourable terms which will enable the Group's projects to achieve their intended returns. In the past, the Group has financed its property projects (development and investment properties) with both short-term and long-term loans from financial institutions based on various factors, including the estimated returns on these projects, the timing of the completion, the expected interest charges to be incurred for the entire project period, the risk of recall of loans, increase in interest rates, and, should there be negative changes to the business environment, demand to top-up collateral. In the case of property development projects which usually have long construction periods, the Group's development projects will generally have negative cash flows in the early phase.

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## RISK FACTORS

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Positive cash flow will usually be registered only after the completion of the project, when the ownership of the properties have been transferred to the buyer and full payment is received from them. If the Group's property businesses do not generate sufficient cash flow to meet the financing costs of the Group's property projects, the Group's profits would be adversely affected.

Although the Group has obtained financing in the past to fund its business activities, the Group cannot provide assurance that it will have adequate capital resources available to finance its business activities such as land acquisitions or property developments. This may arise from inadequacy of internal funds such as low cash levels and/or the Group's inability to achieve sufficient pre-sales in order to fund its property developments. The incurrence of additional debt will increase its interest payments required to service its debt obligations and could result in operating and financial covenants that restrict its operations.

**(n) The Group may be subject to risks in relation to interest rate movements**

The Group may face risks in relation to interest rate movements in particular as a result of the debts undertaken by it to finance its property developments.

Changes in interest rates will affect the Group's interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities. This could in turn have a material and adverse effect on its financial performance. Furthermore, an increase in interest rates would also adversely affect the willingness and ability of prospective customers to purchase its properties and its ability to raise and service long-term debt, which could have a material and adverse effect on the financial performance and results of operations of the Group.

**(o) The Group may be adversely affected by unsold properties**

In the event that the Group is unable to sell a significant proportion of its properties, its financial performance will be materially and adversely affected as the Group may incur holding costs, including interests costs and maintenance costs. Furthermore, the unsold properties that the Group continues to hold for sale post-completion may be relatively illiquid, which will limit its ability to realise cash from unsold units on short notice. Such illiquidity may also have a negative effect on the prices of unsold units in the event that the Group is required to sell the unsold properties urgently, and limits its ability to vary its portfolio of property held for sale in response to changes in economic, political, social or regulatory conditions in a timely manner. In such an event, the Group's cash flow and financial performance will be adversely affected.

**(p) The Group's actual selling prices that may be achieved from future sales of its unsold property development units may materially differ from its valuation**

Unanticipated changes in relation to the Group's unsold property development units, changes in general or local economic or regulatory conditions or other relevant factors could affect the valuations in respect of such units and the returns that the Group can realise from the sale of such units. The actual selling prices that may be achieved by the Group from future sales of unsold units may materially differ from the value attributed to them in the valuation reports.

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## RISK FACTORS

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In addition, based on the accounting policies of the Group, investment properties are measured at fair value and gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise. In the event that the fair values of the investment properties are substantially lower than the carrying values, there will be substantial losses to be recognised in the income statement in the period when the fair values are measured.

**(q) The value of properties and land sites is subject to fluctuations**

The valuations of the Group's properties are conducted by professional independent valuers under certain assumptions and prevailing market conditions. These valuations are subject to, *inter alia*, changes in market conditions and thus may not accurately reflect the actual value of such properties upon realisation or disposal. Should the value of the Group's properties and land sites be lower for any reason upon realisation or disposal, its financial position and performance will be adversely affected. In addition, the Group may record impairment losses in its financial statements in the event that the market value of the unsold properties and land sites, as determined by professional independent valuers, fall below their carrying amounts.

**(r) The Group is subject to the risk of inability to collect progress payments from purchasers of its property development projects**

For its development properties, the Group is subject to the solvency or creditworthiness of its customers. In this respect, it may sometimes face delay or even non-payment in its collection of progress payments from the purchasers of its property development projects. Any significant delay or inability in collecting payment will impact negatively on the Group's financial performance.

**(s) The Group may be affected by uninsured loss to its properties**

The Group maintains insurance policies covering its development and investment properties in conformity with market practice, with policy specifications and insured limits which the Group believes are adequate. Risks insured against include floods, fire, lightning and physical damage by the general public. However, certain types of losses such as acts of God, war and civil disorder are generally not insurable. Should there be loss arising out of the damage to the Group's properties which are not covered by the Group's insurance policies or should such damage be in excess of the amount for which the Group is insured, the Group's profitability would be adversely affected.

**(t) The Group's financial performance may fluctuate from period to period if it is unable to undertake or complete new projects**

The Group is vulnerable to revenue volatility which is the characteristic of property development companies. For the Group's property development business, the level of revenue that it can achieve is subject to fluctuations and is dependent on, amongst others, the demand for its development projects, the pricing and number of property development projects and the overall schedules of its projects which are in turn, to a large extent, affected by the market sentiment, market competition, general economic and property markets conditions, as well as government regulations. Accordingly, the Group is susceptible to revenue volatility between financial periods. The Group's financial performance has varied significantly in the past and may continue to fluctuate significantly from period to period in the future. Therefore, historical financial performance of the Group is not indicative of its future performance.

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## RISK FACTORS

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

The Group may be involved from time to time in disputes with various parties involved in the development and sale of its properties such as main contractors, sub-contractors, suppliers, construction companies, purchasers, other partners and lenders. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays. In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable decrees that result in financial losses and delay the construction or completion of its projects. Any project delays arising from the above will affect the Group's business and financial performance.

**(v) The Group may face uncertainties associated with the expansion of its business overseas**

The Group is subject to foreign laws, regulations and policies as a result of property investments in foreign countries. There may be a negative impact on any property owned by the Group in a foreign country as a result of measures and policies adopted by the relevant foreign governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or regulations in relation to foreign exchange. Legal protection and recourse available to the Group in certain countries may also be limited.

In addition, the income and gains derived from investments in property in other countries may be subject to various types of taxes in Singapore and these foreign jurisdictions, which include income tax, withholding tax, capital gains tax, and any other taxes that may be imposed specifically for ownership of real estate. All of these taxes are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, and could adversely affect and erode the returns from these development properties. There is also no assurance that the Group will be able to repatriate the income and gains derived from investments outside Singapore to Singapore on a timely and regular basis.

Accordingly, there is no assurance that the Group will be able to execute its growth strategies successfully or that the performance of any strategic alliances, acquisitions or investments would meet the Group's expectations.

**(w) The Group is subject to government regulation in the countries where it operates**

Governments of the foreign countries in which the Group operates may seek to promote a stable and sustainable property market by monitoring the property market and adopting measures as and when they deem necessary. These governments may introduce new policies or amend or abolish existing policies at any time and these policies may have retroactive effect. These changes may have a material and adverse impact on the overall performance of the property markets in which the Group operates and thus affect the Group's business, financial condition, prospects and results of operations.

In addition, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights certificates, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions. Problems may be encountered in obtaining such government approvals or in fulfilling the conditions required

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## RISK FACTORS

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for obtaining the approvals, especially as new laws, regulations or policies may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to the granting of approvals. If the Group fails to obtain relevant approvals or fulfil the conditions of those approvals for its property developments in the relevant foreign country it operates in, these developments may not proceed as scheduled, and the Group's business, financial condition, prospects and results of operations may be adversely affected.

**(x) The Group is dependent on the quality of its title to properties in the landbank of the Group**

The quality, nature and extent of the title to and interests in the land and properties under the Group's development varies, depending on a number of factors, including:

- (i) the country and location of the property;
- (ii) the laws and regulations that apply to the property;
- (iii) the extent to which the contract pursuant to which the property interest was acquired has been performed, the extent to which the terms and conditions thereunder have been complied with, and the amount of the purchase consideration which has been paid;
- (iv) the extent of compliance by the Group or any other relevant party (including previous owners, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with all relevant laws and regulations relating to the ownership, use, sale, development or construction of the property;
- (v) the manner under which the interest in the property is held, whether through a joint venture, a development or joint operation agreement, under a master lease or otherwise; and
- (vi) the capacity, power, authority and general creditworthiness of the counterparties to the contractual and other arrangements through which the Group has acquired an interest in the property.

Due to the laws in some of the countries where the Group operates and the lack of a uniform title system in such countries, there is potential for disputes over the quality of title and/or quality of the assets purchased. Delays in acquiring properties required for the Group's development activities could negatively affect the Group's performance. The Group's acquisition of properties and/or assets is dependent on the due diligence as to, *inter alia*, title, which in turn is dependent on the quality of professional advice and the availability of reliable, accurate, complete and up-to date information in the relevant countries. The quality and extent of the title to the Group's property interest may be challenged or adversely impacted or may adversely affect the Group's ability to deal with its property interests and in turn the value of the Group's investment in these properties.

**(y) The Group may be subject to foreign exchange transaction risks**

The Group may be subject to foreign exchange risks as its combined financial statements are denominated in Singapore dollar while the financial statements of its foreign subsidiaries and associated companies are prepared in their respective functional currencies. For the purpose

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## RISK FACTORS

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of consolidating the financial results of its foreign subsidiaries and associated Companies, the assets and liabilities and income and expenses of the Group's foreign subsidiaries and associated companies are translated to Singapore dollar based on the year end exchange rates for the relevant financial period or year. Any significant fluctuation of the Singapore dollar against the respective functional currencies of the Group's foreign subsidiaries and associated companies may adversely affect its results of operations.

The value of Singapore dollar against the Malaysia Ringgit, English Pound, Australian Dollar and Thai Baht may fluctuate and be affected by changes in the political, social and economic conditions in Malaysia, UK, Australia and Thailand and any significant revaluation of the Malaysia Ringgit, English Pound, Australian Dollar and Thai Baht may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, some of the Group's materials for construction and development and capital expenditures for future expansion programs may be denominated in foreign currencies, and any future appreciation in the Malaysia Ringgit, English Pound, Australian Dollar and Thai Baht against the Singapore dollar would increase the Group's cost of materials and the cost of the Group's capital expenditures in Malaysia Ringgit, English Pound, Australian Dollar or Thai Baht could have an adverse effect on its business, financial condition, results of operations and prospects.

The Group currently does not have any formal policy for hedging against foreign exchange exposure. However, the Group will continue to monitor its foreign exchange exposure and may employ forward currency contracts to manage its foreign exchange exposure should the need arises.

### **(z) The Group is subject to health, safety and environment standards**

Property developers and/or building contractors are subject to various laws and regulations relating to workplace health and safety and environmental pollution control. The Group cannot predict future amendments, new enactments or more stringent administration of these health, safety and environment standards. Any change in such regulations and/or standards may result in the Group incurring additional time and costs for the purposes of compliance. Further, any failure to comply with these regulatory standards at the Group's project sites may result in fines, penalties, sanctions or temporary suspension resulting in project delays, which may have a material adverse effect on the Group's business operations and prospects.

### **(aa) The Group could incur significant costs related to environmental matters**

The Group may be subject to various laws and regulations in the countries where the Group operates relating to protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances at a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of hazardous waste, asbestos or other toxic substances may be substantial.

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## RISK FACTORS

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Environmental laws may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports and investigations with respect to any of the Group's properties may not reveal (i) all environmental liabilities, (ii) whether prior owners or operators of the properties had created any material environmental condition not known to the Group or (iii) whether a material environmental condition exists in any one or more of the properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. The Group may be subject to liabilities or penalties relating to environmental matters which could adversely affect the Group's performance.

### RISKS RELATING TO THE GROUP'S BUSINESS IN SINGAPORE

**(a) The Group's performance may be adversely affected by changes in Singapore government policies**

The Singapore government monitors the property market closely and adopts measures as and when it deems necessary to promote a stable and sustainable property market. Thus, the government may introduce new policies or amend or abolish existing policies at any time. Such regulations include land and title acquisition, development, planning, design and construction as well as mortgage financing and refinancing. The Singapore government has in the past, intervened in and regulated the movement in property prices. The Group may be affected by changes in government regulations and policies in Singapore such as the introduction of new property-cooling measures, revisions to the terms of the housing developer's licence, zoning changes, new compulsory acquisition policies and property tax regimes. These changes may have a material adverse impact on the overall performance of the Singapore property market which may adversely affect the Group's profitability and financial performance.

Property-cooling measures

In particular, the Group may be affected by property-cooling measures introduced by the Singapore government from time to time. For example, with effect from 12 January 2013, the government has imposed Additional Buyer's Stamp Duty ("**ABSD**") of between five per cent. and 15 per cent. in respect of purchases of residential property to moderate investment demand for residential property and promote a more stable and sustainable property market.

Non-Singaporeans and non-Singapore permanent residents are now required to pay 15 per cent. **ABSD** in respect of any purchase of residential property, while Singapore permanent residents are required to pay five per cent. **ABSD** on their first purchase, and 10 per cent. on any second or subsequent purchases, of residential property. In addition, Singaporeans who already own one residential property are required to pay seven per cent. **ABSD** on their second purchase, and 10 per cent. **ABSD** on their third and subsequent purchases of residential property. **ABSD** is imposed over and above buyer's stamp duty.

Further, the Loan-to-Value ("**LTV**") limit on housing loans has been tightened for individuals who already have at least one outstanding housing loan, as well as for non-individuals such as companies. Besides tighter **LTV** limits, the minimum cash down payment for individuals

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## RISK FACTORS

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applying for a second or subsequent housing loan has also been raised to 25 per cent. The lower LTV limits and higher minimum cash down-payment are subject to certain reliefs. Such property cooling measures may have an adverse impact on the business and financial performance of the Group.

Moreover, 15 per cent. ABSD is payable by corporate property developers which purchase residential land or property, unless remission applies. Should the Group be unable to comply with any conditions to ABSD remission, the ABSD payable may contribute towards an increase in the cost of developing residential units, and in turn, may adversely affect the profitability and financial performance of the Group.

In addition, if a residential property is purchased on or after 20 February 2010, seller stamp duty is payable if the residential property is sold within the holding period.

In June 2013, the government introduced the total debt servicing ratio (“TDSR”) framework for property loans in June 2013 in order to stabilise the overheated property market and encourage financial prudence among borrowers. The new TDSR framework requires financial institutions to take into consideration borrowers’ other outstanding debt obligations when granting property loans. The TDSR is the percentage of total monthly debt obligations to gross monthly income. The Authority expects any property loan extended by financial institutions to not exceed a TDSR threshold of 60% and will regard any property loan in excess of a 60% TDSR to be imprudent. The Authority has further stated that it will review the 60% threshold over time, with a view to further encouraging financial prudence.

### Housing developer’s licence

The Issuer or its relevant subsidiaries that engage in the property development business is required to obtain a housing developer’s licence before undertaking a housing development project comprising more than four units. The Issuer is also required to obtain a Qualifying Certificate in order to acquire any interest in residential properties in Singapore. Failure by the Group to obtain, renew or maintain the required licences and certificates, or cancellation, suspension or revocation of any of the Group’s licences and certificates may result in the interruption of its operations and may have a material adverse effect on the Group’s business.

### Compulsory acquisition/zoning changes

From time to time, the relevant authorities may carry out redevelopment plans or effect zoning changes to particular areas. The supply of land to property developers is also regulated by the Singapore government. The Singapore government is also authorised under the Land Acquisition Act, Chapter 152 of Singapore, to compulsorily acquire land for particular purposes. These changes may have a material and adverse impact on the overall performance of the Singapore property market which may adversely affect the Group’s profitability and financial performance.

### Property tax regime

On 25 February 2013, the Singapore Government announced the Singapore Budget 2013, which includes changes to the property tax regime (including the property tax rates) with effect from 1 January 2014, with further revisions to the progressive property tax rates with effect from 1 January 2015.



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## RISK FACTORS

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For owner-occupied residential properties, more progressive property tax rates will be applicable on the annual value of such properties. With effect from 1 January 2014, new progressive property tax rates ranging from seven per cent. to 15 per cent. will be added to the existing progressive property tax rates of zero per cent. to six per cent. With effect from 1 January 2015, such progressive property tax rates will be revised to rates of up to 16 per cent.

For non-owner-occupied residential properties, the flat property tax rate on the annual value of such properties will be replaced with progressive property tax rates ranging from 10 per cent. to 19 per cent. with effect from 1 January 2014. With effect from 1 January 2015, such progressive property tax rates will be revised to rates of up to 20 per cent. In addition, the current tax concession which provides tax refunds on vacant properties will be removed.

The Singapore government is likely to continue to regulate the property market. Should any new stringent measures be introduced to the property market, the Group's operations, profitability and financial performance may be adversely affected. In addition, property developers and/or building contractors are subject to laws and regulations relating to workplace health and safety, environmental pollution control and other areas that may concern the industry. There is no assurance that such regulatory standards will remain unchanged in the future. Should the relevant authorities implement additional and/or more stringent requirements, the Group may have to incur additional expenses and devote extra time or effort to comply with such changes. In the event of any non-compliance with such regulatory standards at project sites, the Group's project sites may be subject to temporary suspension or further examinations resulting in project delay. Should such situations arise, the Group's profitability and financial performance may be adversely affected.

**(b) The Group's business is subject to the performance of the property industry in Singapore**

The Group's business is subject to the performance of the property industry in Singapore, which is cyclical in nature. Cyclical downturns may arise from changes in global and local economic conditions, periodic local oversupply of properties for sale or lease, competition from other developers, changes in wages, energy costs, construction and maintenance costs, government regulations or changes in interest rates, and availability of financing for operating and/or capital requirements. Should the property market experience a downturn, demand for the Group's property development projects may slow down significantly. On the other hand, cyclical upturns may prompt the authorities to implement cooling measures. These factors may adversely affect the Group's financial performance and profitability.

**(c) The Group's financial performance may be adversely affected by amendments to the Singapore Financial Reporting Standards ("SFRS")**

The Group's accounting policy is in compliance with the current SFRS, whereby revenue from the sale of private residential development projects in Singapore prior to completion of the properties that are regulated under the Singapore Housing Developers (Controller and Licensing) Act (Chapter 130) and uses the standard form of sale and purchase agreements prescribed under the Housing Developers Rules is recognised using the percentage of completion method and revenue from the sale of industrial and commercial development projects and overseas developments are recognised using the completion of construction method. Under the percentage of completion method, the percentage of work completed is measured based on the costs incurred up until end of the reporting periods as a proportion of total costs expected to be incurred and revenue is recognised by reference to this

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## RISK FACTORS

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percentage of work completed. Under the completion of construction method, revenue is recognised when the development units are delivered to the purchasers. However, if the SFRS is amended and the Group has to change its accounting policy in relation to revenue recognition from percentage of completion method to completion of construction method or vice versa, the Group's financial performance and profitability may be adversely affected.

### **RISKS RELATING TO THE GROUP'S BUSINESS IN THAILAND**

**(a) The Group's business may be adversely affected by the highly competitive and regulated property development industry in Thailand**

The Group's business is dependent on sufficient demand in Thailand's property market. The Group may face significant competition from listed property firms in Thailand who possess considerable capital which enables them to expand their investments.

Property development business in Thailand is regulated and controlled by various laws and legislation, including Thailand's Land Code, Condominium Act, Civil and Commercial Code, Foreign Business Act, laws in relation to zoning and environmental impact assessment, Building Control Act, Board of Investment Act, Industrial Estate Authority of Thailand Act, Consumer Protection Act and Land Allocation Act. Further, there are also specific regulations prescribed and issued in certain local areas of construction and development which must be adhered to.

From time to time, there may be uncertainty in interpreting laws and regulations by authorities in Thailand, in relation to the nominees of foreign investors carrying on prohibited or restricted businesses as provided in Thailand's Foreign Business Act or land ownership by foreigners in Thailand as provided in Thailand's Land Code or Condominium Act as well as the regulations issued thereunder. As a result of this uncertainty in interpretation, there is no assurance that the Group is in material compliance with all applicable laws and regulations in Thailand and any non-compliance may subsequently have a material adverse effect on the Group's business operations and prospects in Thailand.

**(b) The Group may be affected by natural disasters in Thailand**

The Group may be subject to natural disasters in Thailand, such as the severe flooding in late 2011 which affected all sectors of the Thailand property market. In the event that similar flooding or other natural disasters occur in Thailand and the other regions the Group operates in, there may be disruptions and damage, which may lead to increased construction costs and delays and consequently may have a material adverse effect on the Group's business operations and prospects.

**(c) The Group's business may be adversely affected by economic and political factors in the Thailand**

Thailand has been plagued by political uncertainty, internal strife and civil commotions and occasional outbreaks of violence in recent years since the ousting of former Prime Minister Thaksin Shinawatra in a coup d'etat in October 2006, which has led to economic disruption. These incidents escalated in April 2010 with several violent confrontations between protesters and the police and/or the army, which have resulted in injuries and fatalities. Any unfavourable changes in the political and social conditions in Thailand may disrupt the Group's activities, which will have an adverse effect on the Group's business operations and prospects.

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## RISK FACTORS

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The Group's business and prospects may also be adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws and regulations, taxation, expropriation, social instability and other political, legal, economic or diplomatic developments in Thailand. The Group has no control over such conditions and developments and any changes in such conditions and developments may have an adverse effect on its business operations and prospects.

**(d) The Group may be affected by terrorist attacks in Thailand**

There is no assurance that any war, terrorists' attack or other hostilities in Thailand, potential, threatened or otherwise, may not directly or indirectly, have an adverse effect on the Group's business operations and prospects.

There has been a history of terrorist attacks in the three southernmost predominantly Muslim provinces of Thailand for several years. In August 2015, Thailand suffered from a terrorist attack in the form of a bombing inside the Erawan Shrine in Bangkok. As a result, if such attacks and hostilities continue to occur in Thailand, the Group's business operations and prospects may be adversely affected.

### RISKS RELATING TO THE GROUP'S BUSINESS IN THE UK

**(a) The Group's business may be adversely affected by regulations promulgated by the UK authorities**

The real estate business in UK is affected by the planning policies and guidelines of the authorities both at the central as well as at the local government level. Such planning guidelines in UK are unpredictable because of two main factors:

- (i) Planning guidelines issued by the Central Government provide room for varying interpretation by the local authorities. For example, although "affordable housing" is required to be provided for private housing developments exceeding 25 units, the formula for "commuted" payments in lieu of affordable housing provision varies from local authority to local authority. In some cases, local authorities will insist on affordable housing to be integrated on site with the private housing scheme instead of accepting "commuted" payments in lieu of provision on site.
- (ii) Public consultation is a statutory requirement under the laws governing the UK planning system and the public needs to be consulted for all planning applications. This invariably slows down the planning process. Applications for major schemes which are opposed strongly by residents and other pressure groups may be subject to the strict scrutiny and approval of the Central Government. This will result in extensive delays and very often reduction in the height and density of the proposed development following the public inquiry process organised by the Central Government.

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## RISK FACTORS

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**(b) The Group's business may be adversely affected by economic and political factors in the UK**

The Labour Government has largely adopted the stance of the former Conservative Government in its management of the UK economy. The markets have generally reacted favourably to the government's approach to the economy so far. However, there is no assurance that such policy decisions over the last two years could be sustained due to changes in economic conditions or changes in the ruling party.

The real estate industry in UK, like any other business, is closely linked to the general economic and business climates. The proper functioning of businesses are carried out within the framework of a stable and effective political regime. The performance of the Group is very much dependent on the strength of the economy and the continued growth of the residential market in particular, within a favourable political environment.

**(c) The Group's business may be adversely affected by stamp duty regulations in the UK**

In the UK, stamp duty on the purchase of property has been progressively increased since July 1997. However, UK stamp duty is still lower compared with most of the other countries in the European Union. There is the possibility that stamp duty could be raised again in future budgets towards the level of some other European Union countries. By and large, the effect of the previous two successive increases in stamp duty has not dampened investment activity or considerably reduced property transactions over the past year. However, another increase in stamp duty could potentially discourage property activity, reduce liquidity in the market and deter overseas investors.

**(d) The Group's business may be adversely affected by property prices in the UK**

There may be a downturn in the UK property market in terms of capital value or a weakening of rental yields. Commercial property values are affected by factors such as the level of interest rates, economic growth, fluctuations in property yields and tenant default. In the event of a default by an occupational tenant, there will be a rental shortfall and additional costs, including legal expenses are likely to be incurred in maintaining, insuring and re-letting properties.

Immovable property and immovable property-related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to uncertainty and are a matter of an independent valuer's opinion. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

### RISKS RELATING TO THE GROUP

**(a) The Group may be affected by any changes in the general economic, regulatory, political and social conditions in the countries in which it has operations**

The Group currently has operations in Singapore, Thailand, Malaysia, Australia and UK, and is further looking to expand its property development business overseas. As a result, its businesses and future growth are dependent on the economic, regulatory, political, and social conditions of these countries. The Group's business and prospects may also be materially and adversely affected by inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws

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## RISK FACTORS

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and regulations, taxation, expropriation, social instability and other political, legal, economic or diplomatic developments in or affecting the markets in these countries. The Group has no control over such conditions and developments and any changes in such conditions and developments may have a material adverse effect on its business, financial condition, results of operations and prospects.

For example, Malaysia and Thailand have, in the past, been affected by political upheavals, internal strife, civil commotions and epidemics. The recurrence of these political and social conditions may affect the Group's ability to operate or conduct business in these countries.

**(b) The Group may be affected by adverse impact from the outbreak of communicable diseases**

An outbreak of communicable diseases in Singapore where the Group's operations are largely based may have an adverse impact on its operations and financial performance. Market sentiment and consumer confidence could be affected and may lead to a deterioration of economic conditions. In the event that the Group's employees or those of its contractors or sub-contractors are infected or suspected of being infected with any communicable disease, the Group may be required by health authorities to temporarily shut down the affected project sites and quarantine the relevant workers to prevent the spread of the disease. This will result in delays in the Group's projects and adversely affect the Group's profitability and financial performance.

**(c) Terrorist attacks and other acts of violence or wars may adversely affect the markets in which the Group operates and its profitability**

Since the occurrence of certain terrorist attacks in different areas of the world in recent years, there has been an escalation of a general fear of expansion of terrorist activities around the world, which could have an adverse effect on the world economy.

If there is a general fear of economic fall-out around the world due to terrorism and other acts of violence or wars, the economic outlook of the Group's markets may become uncertain and there is no assurance that such markets will not be affected by the worldwide economic downturn, or that recovery would appear in the near future. This could have a negative impact on the demand for the Group's goods and services and its sales, business, future growth and profitability may be adversely affected.

**(d) The Group's reputation and brand image may be affected by adverse developments or negative publicity**

The Group has built up its reputation and customers' goodwill over the course of its business. However, with the rise of social media, the Group's reputation may be adversely affected because dissatisfied members of the public can now easily broadcast messages to many people to influence the public perception and other people's impression of the Group.

Any degradation or adverse media developments relating to the Group's reputation or brand could adversely affect the business, financial condition, results of operations and prospects of the Group as such degradation or adverse media developments may adversely affect the confidence that the Group's customers have in the Group, and the Group's attractiveness to its customers.

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## RISK FACTORS

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### RISKS RELATING TO THE RIGHTS ISSUE

**(a) Shareholders who do not or are not able to accept their provisional allotments of Rights Shares will experience a dilution in their shareholding interests in the Company**

If Shareholders do not or are not able to accept their provisional allotments of Right Shares, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his “nil-paid” rights, or such “nil-paid” 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.

**(b) The Rights Issue may affect the Share price**

Due to the increase in the number of issued Shares under the Rights Issue and the financial effects of the Rights Issue, there can be no assurance that the price of the Shares will be maintained at the present level after the Rights Issue.

**(c) An active trading market in the “nil-paid” rights may not develop**

An active trading market in the “nil-paid” rights may not develop on the SGX-ST during the trading period for such “nil-paid” rights. In addition, because the trading price of the “nil-paid” rights depends on the trading price of the Shares, the price of the “nil-paid” rights may be volatile. In addition, Foreign Shareholders are not allowed to participate in the Rights Issue. The entitlements to the Rights Shares which would otherwise accrue to such Shareholders may be sold by the Company, which would cause the trading price of “nil-paid” rights to fall.

**(d) 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 expansion and/or acquisitions and 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.

**(e) The trading price of the Shares may be volatile**

The market price for the Shares on the SGX-ST could be subject to significant fluctuations. Any such fluctuation may be due to the market’s perception of the likelihood of completion of the Rights Issue and/or be in response to various factors, some of which are beyond the Company’s control.

Such factors include but are not limited to:

- variation in our operating results;
- investors’ perception of our prospects;
- economic, stock and credit market conditions and sentiments; and
- general changes in rules or regulations with regard to the industry that we operate in, including those that affect the demand for our services.

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## RISK FACTORS

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Any of the above events could result in a decline in the market price of the Shares during and after the Rights Issue.

**(f) The Issue Price is not an indication of the underlying value of the Shares**

The Issue Price does not bear a direct relationship to the book value of our assets, operations, cash flow, earnings, financial condition or any other established criteria for valuation. Therefore Shareholders should not consider the Issue Price to be any indication of the Shares' underlying or intrinsic value. The Shares may trade at prices lower than the Issue Price in the future.

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## TAKE-OVER LIMITS

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The Takeover Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry 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 30.0% 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 30.0% but not more than 50.0% 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 1.0% of the voting rights,

such person must extend a mandatory take-over offer immediately to the holders for the remaining Shares in the Company in accordance with the provisions of the Takeover Code. In addition to such person, each of the principal members of the group of parties 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 take-over offer under the Takeover Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Securities Industry Council and/or their professional advisers immediately.**

**For the avoidance of doubt, the Company may at its discretion scale down any Entitled Shareholder's application to subscribe for Excess Rights Shares to avoid placing such Entitled Shareholder in the position of incurring an obligation to make an offer for Shares in the Company under the Takeover Code as a result of other Entitled Shareholders not taking up their entitlements to the Rights Shares.**



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

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**PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)**

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1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.
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<b>Name</b>	<b>Designation</b>	<b>Address</b>
Toh Khai Cheng	Non-Executive Chairman	33 Sembawang Road #02-03 Hong Heng Garden Singapore 779084
Toh Giap Eng	Chief Executive Officer, Executive Director	11 Greenleaf Drive Singapore 279526
Low Yee Khim	Chief Operating Officer, Executive Director	21 Hazel Park Terrace #02-11 Singapore 678946
Toh Gap Seng	Non-Executive Director	28 Thong Soon Green Singapore 787334
Tan Tiong Cheng	Non-Executive, Lead Independent Director	47 Watten Rise Singapore 287368
Chew Chin Hua	Non-Executive, Independent Director	2 Countryside Link Singapore 789926
Chia Kwok Ping	Non-Executive, Independent Director	1 Peck Hay Road #19-04 Casa Cairnhill Singapore 228305

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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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<b>Issue Manager to the Rights Issue</b>	:	Not applicable as no issue manager was appointed
<b>Underwriter to the Rights Issue</b>	:	Not applicable as the Rights Issue will not be underwritten
<b>Legal Adviser to the Company in relation to the Rights Issue</b>	:	<b>Rodyk &amp; Davidson LLP</b> 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624

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

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3. Provide the names and addresses of the registrars, transfer agents and receiving bankers for the securities being offered, where applicable.
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<b>Share Registrar</b>	:	<b>M &amp; C Services Private Limited</b> 112 Robinson Road #05-01 Singapore 068902
<b>Transfer Agent</b>	:	Not applicable
<b>Receiving Banker</b>	:	Oversea – Chinese Banking Corporation Limited

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

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**PART III (OFFER STATISTICS AND TIMETABLE)**

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

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Method of offer	:	Renounceable non-underwritten rights issue of up to 89,538,398 Rights Shares at Issue Price, on the basis of one (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded.
Issue Price	:	S\$0.493 per Rights Share
Number of Rights Shares	:	Up to 89,538,398 Rights Shares are expected to be issued pursuant to the Rights Issue.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls on or before the date of allotment and issue of the Rights Shares.

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**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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Please see paragraphs 3 to 7 below.

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**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 unknown 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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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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Offer period : Please refer to the section entitled "Indicative Timetable of Key Events" on page 13 of this Offer Information Statement for information in relation to the offer period.

Circumstances under which the Offer period may be modified : As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled "Indicative Timetable of Key Events" on page 13 of this Offer Information Statement to be modified. However, the Company may with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

It is not anticipated that the period for which the Rights Issue will be kept open will be extended or shortened. An announcement will be made via SGXNET if there are any such changes.

Name and address of person to whom purchase or subscription to applications are to be submitted : Please refer to the procedures for, and the terms whom purchase or subscription and conditions applicable to, acceptance, renunciation applications are to be submitted and/or sales of the provisional allotment of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment as set out in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

Acceptances should be made in the manner set out in this Offer Information Statement as well as the applicable PAL, the ARE or the ARS to the persons named therein to the following address:

- (a) In the case of Entitled Depositors, by hand to **HEETON HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED at 9 NORTH BUONA VISTA DRIVE #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post in the self-addressed envelope provided, at the sender's own risk, to **HEETON HOLDINGS LIMITED C/O 11 NORTH BUONA VISTA DRIVE #06-07 THE METROPOLIS TOWER 2, SINGAPORE 138589**; and
- (b) In the case of Entitled Scripholders, to **HEETON HOLDINGS LIMITED C/O M&C SERVICES PTE LTD at 112 Robinson Road #05-01, Singapore 068902**

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

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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.**
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### **Applicable procedures for making payment**

The Rights Shares are payable in full upon acceptance and application. The detailed procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the application for Excess Rights Shares, including the different modes of acceptances or application and payment are contained in Appendices A to C of this Offer Information Statement and in the PAL, the ARE and the ARS.

### **Time for payment**

The last date and time for acceptances of the Rights Shares and/or application for Excess Rights Shares for Rights Shares and/or Excess Rights Shares and payment is on 16 October 2015 at 5.00 p.m. or, in the case of acceptances and/or Excess Application and payment through an ATM is on 16 October 2015 at 9.30 p.m.

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5. **State where applicable, the methods 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 the securities being offered in favour of subscribers or purchasers.**
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The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 1 October 2015 by crediting the provisional allotments of Rights Shares into the Securities Accounts of the respective Entitled Depositors. The PALs will be despatched to Entitled Scripholders on 2 October 2015.

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 in the PAL, share certificates representing such number of Rights Shares will be sent by registered post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days from the Closing Date.

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

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## **SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

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Accounts. It is expected that CDP will then send a notification letter to the relevant subscribers, at the subscribers' own risk, stating the number of Rights Shares that have been credited to their Securities Account.

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

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

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Not applicable. None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

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

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

### **Manner of Refund**

Where any acceptance of Rights Shares and/or Excess Application is invalid or unsuccessful in full or in part, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by any one or a combination of the following:

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

Please also refer to Appendices A to C to this Offer Information Statement for further details.

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

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### PART IV (KEY INFORMATION)

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

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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.**
- 

In the Minimum Subscription Scenario, the estimated net proceeds from the Rights Issue are expected to be approximately S\$27.0 million.

In the Maximum Subscription Scenario, the estimated net proceeds from the Rights Issue are expected to be approximately S\$43.6 million.

All net proceeds from the Rights Issue will be received by the Company.

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3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**
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The Company intends to utilise the net proceeds of the Rights Issue (assuming the Maximum Subscription Scenario) of approximately S\$43.6 million for the repayment of borrowings, for financing investments and acquisitions and general working capital of the Company and the Group.

As and when any significant amount of the proceeds is disbursed or deployed, the Company will make the necessary announcements on SGXNET and subsequently provide a status report on the use of such proceeds in its annual report. Pending the deployment of the proceeds for the use mentioned above, the proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may deem fit.

In view of the Irrevocable Undertakings, the Directors are of the reasonable opinion that there is no further minimum amount which must be raised from the Rights Issue.

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

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- 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.**
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Under the Maximum Subscription Scenario or the Minimum Subscription Scenario, for each dollar of the gross proceeds to the Company from the Rights Issue, the Company will allocate and use:

- (a) approximately S\$0.90 for the repayment of borrowings; and
  - (b) approximately S\$0.10 for financing investments and acquisitions and general working capital of the Company and the Group.
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- 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.**
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Please refer to paragraphs 3 and 4 of Part IV of the Sixteenth Schedule of the SFR “Key Information” of this Offer Information Statement.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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Please refer to paragraphs 3 and 4 of Part IV of the Sixteenth Schedule of the SFR “Key Information” of this Offer Information Statement.

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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.**
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Assuming the Maximum Subscription Scenario, approximately S\$39.24 million, amounting to approximately 90% of the net proceeds will be used to partially repay the S\$75 million 5.6% Fixed Rate Notes due 2015 issued by the Company on 6 November 2013, which will be maturing in November 2015. The proceeds from the notes were used mainly by the Group for financing new investments and acquisitions as well as working capital purposes.



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

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8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or the other placement or selling agents in relation to the offer and the persons 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.

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Not applicable. The Rights Issue is not underwritten and no underwriters, placement or selling agents have been appointed for the Rights Issue.

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);

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<b>Registered office address</b>	:	60 Sembawang Road #01-02 Hong Heng Mansions Singapore 779088
<b>Principal place of business</b>	:	60 Sembawang Road #01-02 Hong Heng Mansions Singapore 779088
<b>Telephone number</b>	:	+65 6456 1188
<b>Facsimile number</b>	:	+65 6455 5478

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- (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;

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The Company was incorporated under the laws of Singapore in July 1976. On 8 November 2003, the Company was admitted to the Mainboard of the SGX-ST.

The principal activity of the Company is that of property development and property investment. The principal activities of its subsidiaries are property development and property investment.

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

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Further information on the principal activities of the subsidiaries of the Group as at the Latest Practicable Date are set out as follows:

<b>Subsidiaries</b>	<b>Country of incorporation</b>	<b>Principal activities</b>	<b>Effective interests held by the Company (%)</b>
<b>Held by the Company</b>			
Heeton Estate Pte Ltd	Singapore	Property investment holding	100
Heeton Venture (Overseas) Pte. Ltd.	Singapore	Investment holding	100
Heeton Land Pte. Ltd.	Singapore	Property development and property investment holding	100
Heeton Management Pte Ltd.	Singapore	Provision of administrative and management services	100
Heeton Properties Pte. Ltd.	Singapore	Investment holding and leasing agent	100
Heeton Venture (Asia) Pte. Ltd.	Singapore	Investment holding	100
Heeton Venture (China) Pte. Ltd.	Singapore	Investment holding	100
Heeton Residence Pte. Ltd.	Singapore	Property development and investment holding	100
Heeton Homes Pte. Ltd.	Singapore	Investment holding	100
Heeton Capital Pte. Ltd.	Singapore	Property development and investment holding	100
MHP Pte. Ltd.	Singapore	Investment holding	100
Heeton Invesco Pte. Ltd.	Singapore	Investment holding	100
Heeton Corporation Pte. Ltd.	Singapore	Investment holding	100
<b>Held through subsidiaries</b>			
Kim Leong Development Pte Ltd	Singapore	Dormant	100
Heeton Realty Pte. Ltd.	Singapore	Property development	100
Prospere Development Pte. Ltd.	Singapore	Investment holding	100
Prospere Holdings Pte. Ltd	Singapore	Investment holding	70
Fortitude Valley (Hotels) Pty Ltd	Australia	Property investment holding	70
Wickham Invesco Pte. Ltd.	Singapore	Investment holding	55

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

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<b>Subsidiaries</b>	<b>Country of incorporation</b>	<b>Principal activities</b>	<b>Effective interests held by the Company (%)</b>
Wickham 186 Pty Ltd	Australia	Investment holding	55
Adam Street Pte. Ltd.	Singapore	Investment holding	75
General Wealth Holdings Limited	British Virgin Islands	Property development	100
Venture (UK) Pte. Ltd.	Singapore	Investment holding	80
Chatteris Development Limited	British Virgin Islands	Property development	80
Woodley Hotels (Kensington) Limited	England & Wales	Property investment holding	80
Chatteris Kensington Limited	England & Wales	Hotel operation	80
Acework Limited	British Virgin Islands	Property investment holding	75
Adam Street Limited	England & Wales	Property management	75
Ace Zone Holdings Limited	British Virgin Islands	Property development	60
Hoxton Investments Limited	British Virgin Islands	Property development and property investment holding	100
Glenthorne Pte. Ltd.	Singapore	Investment holding	60
Fairmont Land Pte. Ltd.	Singapore	Investment holding	55
Ultra Assets Holdings Limited	British Virgin Islands	Property development	55

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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;**
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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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The significant developments in the business of the Group in chronological order since FY2012 are set out below. The significant developments described in this Section include matters extracted from the related announcements released by the Company via SGXNET and such information presented herein is correct as at the dates of the relevant announcements. Shareholders are advised to refer to the related announcements for further details.

### General Developments in FY2012

- (1) On 9 March 2012, the Company announced that:
  - (a) Unique Consortium Pte. Ltd. ("**Unique Consortium**"), a 35% owned associated company holds by the Group, intends to enter into a formal agreement with Oxley Holdings Limited ("**Oxley Holdings**"), and Goldprime Investment Pte. Ltd. ("**Goldprime**"), each an unrelated third party, pursuant to which Unique Consortium, Oxley Holdings and Goldprime shall participate in the share capital of Oxley YCK Pte. Ltd. ("**Oxley YCK**") in the proportion of 35:55:10 respectively, for the redevelopment of the Seletar Property (as defined below).
  - (b) Oxley YCK had submitted the tender for the collective purchase of all the units and common property in the development known as Seletar Garden (the "**Seletar Property**") at the purchase price of S\$96,188,000 and had been duly accepted via a letter of acceptance by the vendors of the Property on 7 March 2012.
  - (c) The Seletar Property, located at 2A/B to 20A/B Cactus Road in Singapore, is a freehold development comprising 10 mezzanine retail/residential units on the ground floor and 20 residential apartments on the upper floors. The site area is 6,797.1 square meters and is zoned for "residential with Commercial at 1st storey" with a gross plot ratio of 1.4 and an allowable height of up to 4 storeys. Oxley YCK intended to redevelop the Seletar Property, subject to obtaining all the necessary approvals from the relevant authorities.
- (2) On 10 April 2012, the Company announced that:
  - (a) The Company had on 22 November 2011 incorporated a wholly-owned subsidiary, Unique Rezi Pte. Ltd. ("**Unique Rezi**"), with the issued and paid-up capital of S\$2.00.
  - (b) Heeton Homes Pte. Ltd. ("**HH**"), a wholly-owned subsidiary of the Company intends to enter into a formal agreement and participate in a joint venture with Kim Seng Heng Realty Pte Ltd ("**KSHR**") and Zap Piling Pte. Ltd. ("**ZAP**").
  - (c) HH, KSHR and ZAP shall own 42%, 42% and 16% of the entire issued and paid-up share capital of Unique Rezi respectively.
  - (d) Unique Rezi intends to enter into a formal agreement with Oxley Holdings in acquiring 30% equity interest in Oxley Sanctuary Pte. Ltd., ("**Oxley Sanctuary**") a Singapore incorporated company wholly-owned by Oxley Holdings. With the completion of the acquisition, the effective interest of HH in Oxley Sanctuary would be 12.6%.

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

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- (e) Oxley Sanctuary had on 10 April 2012 exercised an option to purchase the units comprised in 11 King Albert Park, Singapore 598292 (the “**KAP Property**”) from Valewood Investments Pte Ltd at a purchase price of S\$150,000,000.
  - (f) The KAP Property comprises a freehold commercial building which is sited on land area of 5,534.8 square metres that is zoned for residential and commercial use. Oxley Sanctuary intends to redevelop the KAP Property, subject to obtaining all the necessary approvals from the relevant authorities.
- (3) On 11 April 2012, the Company announced that:
- (a) Unique Consortium had on 11 April 2012 entered into a formal joint venture agreement with Oxley YCK, Oxley Holdings and Goldprime, pursuant to which Unique Consortium, Oxley Holdings and Goldprime shall participate in the share capital of Oxley YCK in the proportion of 35:55:10 respectively.
  - (b) Oxley YCK shall carry on the business of redeveloping the development known as Seletar Garden at 2A/B to 20A/B Cactus Road, Singapore, for sale and shall undertake any activities incidental to such business. Details of the acquisition of the Property were announced on 9 March 2012.
- (4) On 25 April 2012, the Company released a joint news release with Koh Brothers Development Pte Ltd, a wholly-owned subsidiary of Koh Brothers Group Limited (“**Koh Brothers**”) to announce their first collaboration with top Italian luxury brands for their joint residential development, The Lumos, situated at Leonie Hill.
- (5) On 20 June 2012, the Company announced the resignation of, Miss Lim Siew Bee, Jeannie, its General Manager for Marketing and Sales.
- (6) On 2 July 2012, the Company announced that:
- (a) The Company has on 12 June 2012 incorporated a wholly-owned subsidiary, Unique Resi Estate Pte. Ltd., with the issued and paid-up capital of S\$2.00 (“**Unique Resi**”).
  - (b) HH has entered into a memorandum of understanding and intends to enter into a formal agreement and participate in a joint venture with KSHR and ZAP.
  - (c) HH, KSHR and ZAP shall own 30%, 40% and 30% of the entire issued and paid-up share capital of Unique Resi respectively.
  - (d) Unique Resi had on 29 June 2012 been awarded the tender for the purchase the freehold land parcel located at 121C Whitley Road, Singapore 297815 (the “**Whitley Property**”) at a purchase price of S\$31,000,000.
  - (e) The Whitley Property currently comprises a single storey bungalow which is sited on land area of approximately 21,900 square feet that is zoned for 2-storey mixed landed residential. Unique Resi intends to redevelop the Whitley Property, subject to obtaining all the necessary approvals from the relevant authorities.

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

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- (7) On 3 July 2012, the Company announced the promotion of Miss Cheryl Heng Lee Cheng from Group Financial Controller to Chief Financial Officer and the promotion of Mr Tan Hock Lum from General Manager, Property Development to Senior General Manager.
- (8) On 1 August 2012, the Company announced that further to its previous announcement on 2 July 2012:
- (a) HH has entered into joint venture agreement with KSHR, ZAP and Raffles Asia Capital Pte. Ltd. ("**RAC**") and Unique Resi on 25 July 2012.
  - (b) HH, KSHR, ZAP and RAC shall own 30%, 30%, 30% and 10% of the entire issued and paid-up share capital of Unique Resi respectively.
- (9) On 28 August 2012, the Company announced that:
- (a) HH intends to enter into a formal agreement and participate in a joint venture with KSHR, TEE Realty Pte. Ltd. ("**TEER**"), Futuris Holding Pte. Ltd. ("**FH**") and ZAP.
  - (b) HH, KSHR, TEER, FH and ZAP shall own 15%, 35%, 35%, 10% and 5% of the entire issued and paid-up share capital of KSH Property Premier Pte. Ltd. ("**KSHPP**") respectively. KSHPP is currently a wholly-owned subsidiary of KSH Holdings Limited with issued and paid-up capital of S\$1.00.
  - (c) KSHPP had on 27 August 2012 been awarded the tender for the collective purchase of all the units and the common property in the development known as Sam Leong Mansion comprised in Lot 1048A of TS 17 (the "**Sam Leong Property**") at a purchase price of S\$40,308,000.
  - (d) The Sam Leong Property which currently comprises commercial on 1st level and residential units with carpark, is freehold and sited on land area of approximately 12,362.45 square feet. KSHPP intends to redevelop the Sam Leong Property, subject to obtaining all the necessary approvals from the relevant authorities.
- (10) On 3 September 2012, the Company announced that:
- (a) HH intends to enter into a formal agreement and participate in a joint venture with KSHR and TEER.
  - (b) TEE Residence Pte. Ltd. ("**TEE Res**"), a wholly-owned subsidiary of TEER, with issued and paid-up capital of S\$1.00, has exercised the options to purchase to acquire the freehold property at 48/A, 50/A, 52/A, 54/A, 56/A, 58/A and 60/A Lorong 32, Geylang, Singapore ("**Geylang Property**") at a purchase price of S\$22,600,000.
  - (c) HH, KSHR and TEER shall own 10%, 45% and 45% of the entire issued and paid-up share capital of TEE Res respectively.
  - (d) The Geylang Property is freehold and sited on land area of approximately 13,282 square feet. TEE Res intends to redevelop the Geylang Property, subject to obtaining all the necessary approvals from the relevant authorities.

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

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- (11) On 1 October 2012, the Company announced the:
- (a) Appointment of Miss Tan Hong Sien as General Manager, Property Development and Marketing on 1 October 2012; and
  - (b) Resignation of Mr Tan Hock Lum as Senior General Manager in end October 2012.
- (12) On 16 October 2012, the Company announced the:
- (a) Appointment of Mr Chia Kwok Ping as an Independent Director; Chairman of Nominating Committee and a member of Remuneration Committee with effect from 15 October 2012; and
  - (b) Resignation of Mr Koh Lip Lin as an Independent Director; Chairman of Nominating Committee and a member of Remuneration Committee with effect from 15 October 2012.
- (13) On 19 October 2012, the Company announced that further to its previous announcement dated 3 September 2012, HH entered into a formal joint venture agreement ("**Development 32 JVA**") with KSHR, TEER and Development 32 Pte. Ltd. ("**Development 32**") (formerly known as TEE Residence Pte. Ltd.).

The Development 32 JVA has been completed following the allotment and issuance of 999,999 ordinary shares of S\$1.00 each for cash consideration in the capital of Development 32 as follows:–

<b>Name of Shareholder</b>	<b>Number of Shares allotted and issued</b>
(i) Heeton Homes Pte. Ltd.	100,000
(ii) Kim Seng Heng Realty Pte Ltd	450,000
(iii) TEE Realty Pte. Ltd.	449,999

Following the completion of the Development 32 JVA, the issued and paid-up share capital of Development 32 is S\$1,000,000. HH, KSHR and TEER currently hold 10%, 45%, and 45% of the entire issued and paid-up share capital of Development 32 respectively.

### General Developments in FY2013

- (1) On 11 January 2013, the Company announced that further to its previous announcement dated 28 August 2012, that HH, has entered into a formal joint venture agreement (the "**Unique Commercial JVA**") with TEER, KSHR, FH, ZAP and Unique Commercial Pte. Ltd. (formerly known as KSH Property Premier Pte. Ltd.) ("**Unique Commercial**").

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

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The Unique Commercial JVA has been completed following the allotment and issuance of 9,999 new ordinary shares of S\$1.00 each for cash consideration in the capital of Unique Commercial as follows:–

Name of Shareholder	Number of Shares allotted and issued
(i) Heeton Homes Pte. Ltd.	1,500
(ii) TEE Realty Pte. Ltd.	3,500
(iii) Kim Seng Heng Realty Pte Ltd	3,499
(iv) Futuris Holding Pte. Ltd.	1,000
(v) Zap Piling Pte Ltd	500

Following the completion of the Unique Commercial JVA, the issued and paid-up share capital of Unique Commercial is S\$10,000. HH, TEER, KSHR, FH and ZAP currently hold 15%, 35%, 35%, 10% and 5% of the entire issued and paid-up share capital of Unique Commercial respectively.

- (2) On 8 May 2013, the Company announced the appointment of Mr Tan Tiong Cheng as a Lead Independent Director of the Company.
- (3) On 29 May 2013, the Company announced that further to its previous announcement dated 10 April 2012:
  - (a) Unique Rezi, a 42% owned associated company held by HH, had on 29 May 2013 entered into a joint venture agreement with Oxley Holdings, Luxe Development Pte. Ltd. (“**Luxe Development**”) and Oxley Sanctuary to give effect to their intentions and to record and regulate the affairs of Oxley Sanctuary and their respective rights as shareholders of Oxley Sanctuary.
  - (b) Unique Rezi, Oxley Holdings and Luxe Development currently hold 30%, 55% and 15% of the issued and paid-up share capital of Oxley Sanctuary, respectively. Oxley Sanctuary shall carry on the business of redeveloping the Property for sale and shall undertake any activities incidental to such business.
- (4) On 26 June 2013, the Company announced the:
  - (a) Proposed bonus issue of up to 44,769,200 new ordinary shares in the capital of the Company (“**Bonus Shares**”) with up to 44,769,200 warrants (“**Bonus Warrants**”) on the basis of one (1) Bonus Share with one (1) Bonus Warrant for every five (5) existing Shares (“**Proposed Bonus Issue**”) held by Shareholders as at the books closure date to be determined by the Board for the purpose of determining the entitlements of the Shareholders.
  - (b) Each Bonus Warrant will be constituted by a deed poll to be executed by the Company for the purpose of constituting the Bonus Warrants (“**Deed Poll**”), which shall set out the terms and conditions of the Bonus Warrants and which may from time to time be amended, modified or supplemented. Each Bonus Warrant will, subject to the terms and conditions in the Deed Poll, entitle the warrant holder to subscribe for one (1) new Share (“**New Share**”) at the exercise price of S\$0.70 for



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each New Share ("**Exercise Price**"). The Exercise Price is at a premium of \$0.04 to the last transacted price of S\$0.66 per Share on the SGX-ST on 25 June 2013, being the market day immediately preceding the date of the announcement.

- (5) On 18 July 2013, the Company announced that the SGX-ST had on 17 July 2013 granted in-principle approval for the listing and quotation of the following on the Main Board of the SGX-ST:-
- (a) 44,769,200 Bonus Shares;
  - (b) 44,769,200 Bonus Warrants; and
  - (c) up to 44,769,200 New Shares.
- (6) On 18 July 2013, the Company announced that it has established a S\$300,000,000 multicurrency debt issuance programme and DBS Bank Ltd. has been appointed to act as the sole arranger and dealer of this programme.
- (7) On 12 August 2013, the Company announced that:
- (a) Heeton Invesco Pte. Ltd. ("**HIPL**"), a wholly-owned subsidiary of the Company, has entered into a formal agreement and participate in a joint venture with Habitat Commercial Group Pte. Ltd. ("**Habitat**") ("**Shareholders' Agreement**").
  - (b) HIPL and Habitat own 30% and 70% of the entire issued and paid-up share capital of Eden I Residences (S) Pte. Ltd. ("**EDEN**") respectively. EDEN currently has an issued and paid-up capital of S\$1,000.00. The principal activity of EDEN is that of investment holding. Pursuant to the Shareholders' Agreement, HIPL has an option to purchase a further stake of 40% ("**Further Investment**") up to a maximum of 70% in the issued and paid up capital in EDEN after the achievement of gross investment value of S\$10.0 million. The consideration for Further Investment is to be determined by two independent valuers mutually acceptable by HIPL and Habitat.
  - (c) HIPL and Habitat owns 20% and 80% of the entire issued and paid-up share capital of Habitat Investments Pte. Ltd. ("**Habitat Investments**") respectively. Habitat Investments currently has an issued and paid-up capital of S\$1,000.00. The principal activity of Habitat Investments is that of investment holding.
  - (d) EDEN is currently in the process of incorporating a wholly-owned subsidiary company, Eden I Residences Vietnam Co Ltd., in Vietnam ("**Eden I Vietnam**"). The proposed principal activities of Eden I Vietnam are that of property development, investment and management. Eden I Vietnam intend to lease two parcels of land designated for dormitory and amenities development located at Ascendas-Protrade Singapore Tech Park at An Tay Ward, Ben Cat District, Binh Duong Province, Vietnam (the "**Vietnam Property**").

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- (e) The Vietnam Property is currently a vacant piece of land with area of approximately 21,000 square metre. Eden I Vietnam intends to develop the Vietnam Property into community amenities to serve the population, subject to obtaining all the necessary approvals from the relevant authorities.
  - (f) Habitat Investments is currently in the process of incorporating a wholly-owned subsidiary company, Habitat Commercial Vietnam Co Ltd, in Vietnam (“**Habitat Commercial**”). Habitat Commercial shall be the exclusive and sole manager of the Property as well as any other assets to be developed and/or acquired by Eden I Vietnam and/or EDEN.
  - (g) HIPL and Habitat intend to invest up to a total of S\$25.0 million for the development of the Vietnam Property and other future joint development projects in Vietnam within the next three years.
- (8) On 3 September 2013, the Company made the following announcements:

(a) **Bonus Shares**

Further to the Previous Announcements, the Board announced that 44,769,194 Bonus Shares have been allotted and issued pursuant to the Bonus Issue. **The Bonus Shares will rank *pari passu* in all respects with existing shares in the capital of the Company.**

Following the allotment and issue of the Bonus Shares, the number of issued and paid-up shares in the capital of the Company is 268,615,194.

The Bonus Shares have been listed and quoted on the Main Board of the SGX-ST and trading in the Bonus Shares has commenced at 9.00 a.m. on 3 September 2013.

(b) **Bonus Warrants**

The Board further announced that 44,725,994 Bonus Warrants have been allotted and issued pursuant to the Bonus Issue.

The Bonus Warrants will be listed and quoted on the Main Board of the SGX-ST and trading in the Bonus Warrants is expected to commence at 9.00 a.m. on 4 September 2013.

- (9) On 6 November 2013, the Company announced the first issuance of S\$75 million 5.6 per cent fixed rate notes due 2015 (the “**Series 001 Notes**”). The Series 001 Notes were issued under its S\$300,000,000 Multicurrency Debt Issuance Programme established on 18 July 2013. DBS Bank Ltd has been appointed to act as the sole lead manager and bookrunner for the issue of the Series 001 Notes.

### General Developments in FY2014

- (1) On 15 January 2014, the Company released a joint news release with Koh Brothers that HH and Koh Brothers’ subsidiary, Changi Properties Pte Ltd (“**Changi Properties**”), was awarded the mandate to develop an executive condominium site at Westwood

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Avenue in Jurong West at S\$198.9 million or \$382 per square foot per plot ratio. The 99-year leasehold site straddles on a land area of 186,052 sq ft and has a maximum gross floor area of approximately 520,945 sq ft.

- (2) On 16 January 2014, the Company announced that HIPL, together with KSH Asia Investment Pte. Ltd. ("**KSH Asia**"), a wholly-owned subsidiary of KSH Holdings Limited, and Wealth Land Pte. Ltd. ("**Wealth**"), a wholly-owned subsidiary of Lian Beng Group Ltd., has established a new joint venture company, Imperial South East Asia Investment Pte. Ltd. ("**ISEA**").

The principal activity of ISEA is real estate development and investment holding. ISEA is incorporated in Singapore and has an initial issued and paid-up capital of S\$3, comprising three ordinary shares held as follows:

Name of Shareholders	Number of Shares held	Effective Interest
(i) Heeton Invesco Pte. Ltd.	1	33.33%
(ii) KSH Asia Investment Pte. Ltd.	1	33.33%
(iii) Wealth Land Pte. Ltd.	1	33.33%

- (3) On 21 January 2014, the Company announced that:
- (a) Heeton Capital Pte. Ltd. ("**Heeton Capital**"), a wholly-owned subsidiary of the Company has entered into a formal agreement and participates in a joint venture with RMTL Investment Pte. Ltd. ("**RMTL**").
  - (b) Heeton Capital and RMTL own 80% and 20% of the entire issued and paid-up share capital of Venture (UK) Pte. Ltd. ("**Venture (UK)**") respectively following the transfer of 2 ordinary shares from the Company to Heeton Capital and allotment of 7,998 and 2,000 new ordinary shares of S\$1.00 each by Venture (UK) to Heeton Capital and RMTL respectively.
  - (c) Venture (UK) own the entire issued and paid-up share capital of Chatteris Developments Limited ("**Chatteris**"), a company incorporated in the British Virgin Island, following the transfer of 2 ordinary shares of US\$1.00 each from Heeton Capital to Venture (UK).
  - (d) RMTL is 75% owned by Ryobi Development Pte. Ltd., a wholly-owned subsidiary of Ryobi Kiso Holdings Ltd, and the balance 25% shares of RMTL is held by three individuals.
- (4) On 13 February 2014, the Company announced that:
- (a) Chatteris has completed the purchase of the entire share capital of Woodley Hotels (Kensington) Limited, ("**Woodley Hotels**"), at a consideration of approximately Pounds Sterling 22.9 million or S\$48 million.
  - (b) Woodley Hotels, a private limited liability company incorporated in England and Wales, is the legal and beneficial owner of Enterprise Hotel, a freehold property located at 15-25 (odd numbers) Hogarth Road, Earls Court, London.

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- (c) Enterprise Hotel currently comprises 100 hotel rooms. The Group planned to refurbish the hotel to further increase the number of keys to house around 120 rooms.
- (5) On 17 February 2014, the Company announced that HH, together with Changi Properties, has incorporated a new joint venture company, KBD Westwood Pte. Ltd. (“**KBDW**”). KBDW’s principal activity is in real estate development and investment.
- The registered ordinary share capital of KBDW is S\$1,000,000 divided into 1,000,000 shares, of which 20% will be contributed and owned by HH and 80% will be contributed and owned by Changi Properties.
- (6) On 25 February 2014, further to the announcement dated 16 January 2014, the Company announced the following:
- (a) ISEA has increased its issued and paid-up capital from S\$3 to S\$10,000 by issuing 9,997 ordinary shares of S\$1 each.
- (b) HIPL, KSH Asia and Wealth have subscribed for 3,264 ordinary shares, 3,469 ordinary shares and 3,264 ordinary shares respectively for the new shares, satisfied by an aggregate cash of S\$9,997.
- (c) Following the aforesaid subscription, HIPL, KSH Asia and Wealth now hold 32.65%, 34.70% and 32.65% of the entire issued and paid-up share capital of ISEA respectively.
- (7) On 24 March 2014, the Company announced that the Company’s 15%-owned investee company, KAP Holdings (China) Pte. Ltd. (“**KAP**”), has entered into a joint venture with Beijing Jin Hua Tong Da Real Estate Development Co., Ltd. (北京津华通达房地产开发有限公司) (“**BJJHTD**”) and incorporated a joint venture company, named Sino-Singapore KAP Construction Co., Ltd. (阿尔伯特园建筑工程有限公司) (“**SSKAP**”), in the People’s Republic of China (“**PRC**”). It is intended for SSKAP to undertake property development in the PRC.

BJJHTD is a PRC-incorporated company whose shareholders are Beijing Jia Hua Hong Yuan Investment Co., Ltd. (北京嘉华宏远投资有限公司) (holding 55% equity interest) and Duford Investment (Hong Kong) Limited, a wholly-owned subsidiary of KSH Holdings Limited (holding 45% equity interest).

SSKAP has a registered share capital of RMB360,000,000 (approximately SGD74,150,000) which will be injected by KAP and BJJHTD in equal shares. KAP and BJJHTD will each hold 50% equity interest in SSKAP.

The Group’s investment of RMB27,000,000 (approximately SGD5,561,250) in SSKAP will be funded by internal resources.

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(8) On 26 March 2014, the Company made the following announcements:

(a) Joint Venture Agreement

- (i) Further to the Company's announcement dated 25 February 2014, ISEA has entered into a joint venture agreement ("**ISEA JVA**") for the purposes of an investment in the Kingdom of Cambodia ("Cambodia").
- (ii) The ISEA JVA was signed with Lok Oknha Sear Rithy ("**Sear Rithy**"), a Cambodian national who is not related to the Group. Under the ISEA JVA, both parties will establish a company in the Cambodia under the name of New Global Imperial Investment Co., Ltd. ("**New Global**"), which will be the entity by which ISEA and Sear Rithy will undertake the joint venture in Cambodia.
- (iii) The principal activity of New Global will be real estate development and investment holding in Cambodia.
- (iv) ISEA and Sear Rithy have submitted an application to the Ministry of Commerce in Cambodia for the establishment of New Global. It is intended that New Global will, on incorporation, have a registered capital of 20,000,000 KHR (approximately US\$5,000), held as to 49% by ISEA and 51% by Sear Rithy.

(b) Purchase of Land in Phnom Penh, Cambodia

- (i) Sear Rithy had, for the purposes of the joint venture investment, entered into a sale and purchase agreement with Norng Savuth on 27 January 2014 (the "**Cambodia SPA**") to acquire a plot of land located at Village 2, Sangkat Chaktomuk, Khan Daun Penh, Phnom Penh of the Kingdom of Cambodia, having a size of 15,882 square metres. Currently, the land houses a hotel which is operated under the name of "Imperial Garden Villa & Hotel".
- (ii) The Cambodia SPA was signed by Sear Rithy, functioning as the pre-incorporation representative of New Global, pursuant to the provisions of Article 139 of the Cambodian Law of Commercial Enterprises (2005), as New Global is in a pre-incorporation status. The Cambodia SPA was supplemented by the supplementary agreement dated 10 March 2014 and modified by the modification agreement dated 19 March 2014 and the purchase price is US\$64.0 million.

(9) On 2 June 2014, the Company announced that:

- (a) The Company had issued S\$60,000,000 5.90 per cent. fixed rate notes due 2017 (the "**Series 002 Notes**") under the Company's S\$300,000,000 Multicurrency Debt Issuance Programme established on 18 July 2013 which bears interest at a fixed rate of 5.90 per cent. per annum payable semi-annually in arrear and will mature on 2 June 2017.

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(b) DBS Bank Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore branch acted as joint lead managers and bookrunners in relation to the issuance of the Series 002 Notes.

(10) On 6 June 2014, the Company announced that the Company's wholly-owned subsidiary, Heeton Corporation Pte. Ltd. ("**Heeton Corporation**"), together with Goldprime Property Pte. Ltd., a wholly-owned subsidiary of Lian Beng Group Ltd, and KSH Capital Pte. Ltd., a wholly-owned subsidiary of KSH Holdings Limited, has established a new joint venture company, Wickham Invesco Pte. Ltd. ("**Wickham**").

The principal activity of Wickham is real estate development and investment holding. Wickham is incorporated in Singapore and has an initial issued and paid-up capital of S\$100.00, comprising 100 ordinary shares held as follows:

<b>Name of Shareholders</b>	<b>Number of Shares held</b>
(i) Heeton Corporation Pte. Ltd.	55
(ii) Goldprime Property Pte. Ltd.	30
(iii) KSH Capital Pte. Ltd.	15

(11) On 12 June 2014, the Company announced that:

(a) Wickham has established a new company, namely Wickham 186 Pty Ltd ("**Wickham 186**") in Queensland, Australia.

(b) The principal activity of Wickham 186 is real estate activities and investment holding.

(c) At incorporation, the issued and paid up capital of Wickham 186 is AUD2.00 comprising 2 ordinary shares.

(12) On 2 July 2014, the Company announced that, further to the Company's announcement dated 18 February 2014:

(a) The Company transferred the entire issued and paid-up share capital of 2 ordinary shares of S\$1.00 each in Prospere Holdings Pte. Ltd. ("**Prospere Holdings**") to its wholly-owned subsidiary, Heeton Corporation Pte. Ltd.

(b) Prospere Holdings further allotted and issued 98 ordinary shares of S\$1.00 each as follows:

<b>Name of Member</b>	<b>Number of Shares allotted and issued</b>
Heeton Corporation	68
Goldprime Property	30

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- (c) Following the above shares transfer and allotment, Heeton Corporation and Goldprime Property Pte. Ltd. own 70% and 30% of the entire issued and paid-up share capital of Prospere Holdings respectively. Goldprime Property Pte. Ltd. is a wholly-owned subsidiary of Lian Beng Group Ltd.
- (13) On 9 July 2014, the Company announced that:
- (a) Further to the announcement on 24 March 2014, KAP has entered into a further joint venture agreement (the “**SSKAP JVA**”) with BJJHTD, and an additional joint venture partner, Herons Investment Limited (“**Herons**”).
- (b) Under the SSKAP JVA, SSKAP will increase its registered capital from RMB360,000,000 to RMB450,000,000 (approximately SGD90,837,000) and the additional registered capital will be contributed entirely by Herons. Upon completion of the capital injections, KAP, BJJHTD and Herons will respectively hold 40%, 40% and 20% equity interest in SSKAP.
- (14) On 16 July 2014, the Company announced that:
- (a) Further to the announcements made by the Company on 25 February 2014 and 26 March 2014 in relation to the proposed joint venture in Cambodia, the respective parties to the ISEA JVA and the Cambodia SPA have mutually agreed not to proceed with the transactions contemplated thereunder.
- (b) The instalments of the purchase price paid by ISEA under the Cambodia SPA have been refunded, and the bonds issued to the ISEA shareholders pursuant to the terms of the exchangeable bond agreement will, accordingly, be cancelled.
- (15) On 7 August 2014, the Company announced that:
- (a) Unique Residence Pte. Ltd. (“**Unique Residence**”) has jointly tendered with CEL Development Pte Ltd (“**CEL**”) and emerged as the top bidder of the land parcels at Fernvale Road, Parcel A & B, (“**Parcel A**” and “**Parcel B**”) for residential development. The purchase price for the Parcel A and Parcel B was S\$234,933,000 (S\$438 psf per plot ratio) and S\$252,122,000 (S\$448 psf per plot ratio) respectively. Unique Residence is the Group’s 50% joint venture company with KSH Holdings Limited.
- (b) Parcel A has a lease term of 99 years comprising of land area of 178,724 sq.ft. It has a maximum allowable Gross Floor Area of 536,176 sq.ft. The proposed development, with full condominium facilities, will comprise approximately 700 residential units.
- (c) Parcel B has a lease term of 99 years comprising of land area of 187,443 sq.ft. It has a maximum allowable Gross Floor Area of 562,333 sq.ft. of which 6,458 sq.ft. will be used for child care centre. The proposed development, with full condominium facilities, will comprise approximately 700 residential units.

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(d) Unique Residence and CEL will incorporate a special purpose company (“**SPV**”) to jointly develop the both sites. Unique Residence and CEL will each hold 40% and 60% interest respectively in the SPV. CEL is a wholly-owned subsidiary of Chip Eng Seng Corporation Ltd.

(16) On 11 August 2014, the Company announced that the Group’s 50%-owned associated company, Unique Residence, and CEL have been awarded the land parcels at Fernvale Road, Parcel A & B by the Urban Redevelopment Authority on 8 August 2014.

(17) On 15 August 2014, the Group’s 50%-owned associated company, Unique Residence, and CEL incorporated a joint venture company, Fernvale Development Pte. Ltd. (“**FD**”). The initial issued and paid-up share capital of FD are as follows:

Name of Shareholders	Number of shares issued	Amount paid-up for the shares issued
(i) Unique Residence Pte. Ltd.	2	\$2.00
(ii) CEL Development Pte. Ltd.	3	\$3.00

The principal activity of FD is that of a property developer for residential units for the land parcels at Fernvale Road, Parcel A & B awarded by the Urban Redevelopment Authority on 8th August 2014.

(18) On 18 August 2014, the Company announced that:

(a) Further to the announcement of the Company dated 2 July 2014, Fortitude Valley (Hotels) Pty Ltd (“**FVH**”), a wholly-owned subsidiary of Prospere Holdings, has completed the purchase of Lot 7 on RP 9541, a freehold property at 29 Ranwell Lane Fortitude Valley, QLD4006 in Brisbane, Australia (the “**FVH Property**”), at a consideration of AUD5.50 million or approximately S\$6.38 million.

(b) FVH intends to develop the FVH Property into a 23-storey hotel tower consisting of 198 rooms.

(c) FVH is effectively held by the Group and Lian Beng Group Ltd in the proportion of 70% and 30% respectively.

(19) On 18 August 2014, the Company announced that:

(a) Further to the announcement on 12 June 2014, Wickham 186, a 55%-owned subsidiary of the Company, has entered into a shareholders agreement with Marvel Investments Pty Ltd (“**Marvel**”) and 186 Wickham Street (Residential) Pty Ltd (“**186 Wickham**”) and subscribed for 330 ordinary shares, representing 33% of the share capital of 186 Wickham at AUD3.30 million or approximately S\$3.83 million. Marvel owns the balance 67% of the share capital of 186 Wickham.

(b) Wickham 186 is effectively held by the Group, Lian Beng Group Ltd and KSH Holdings Limited in the proportion of 55%, 30% and 15% respectively.



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- (c) 186 Wickham, a private limited liability company incorporated in Western Australia, has acquired and is the legal and beneficial owner of Lot 1 on RP69275, a freehold land located at 186 Wickham Street, Fortitude Valley QLD 4006 in Brisbane Australia (the “**Wickham Property**”).
- (d) 186 Wickham intends to develop the Wickham Property into 2 residential towers, one 30-storey and the other 23-storey with a total of approximately 324 units.

### General Developments in FY2015 to Latest Practicable Date

(1) On 8 April 2015, the Company made the following announcements:

(a) INVESTMENT AND INCORPORATION OF NEW SUBSIDIARY

- (i) Heeton Capital has entered into a joint venture arrangement to incorporate Glenthorne Pte. Ltd. (“**Glenthorne**”) with the allotment and issuance of 100 ordinary shares of S\$1.00 each for cash consideration in the capital of Glenthorne as follows:–

Name of Member	Number of Shares	Percentage of shareholdings
Heeton Capital Pte. Ltd.	60	60
RMTL Investment Pte. Ltd.	20	20
KSH Land Development Pte. Ltd.	10	10
LB Property (S) Pte. Ltd.	10	10

- (ii) Glenthorne owns the entire issued and paid-up share capital of Ace Zone Holdings Limited (“**Ace Zone**”), a company incorporated in the British Virgin Island, following the transfer of 2 ordinary shares of US\$1.00 each in Ace Zone from Heeton Capital to Glenthorne.
- (iii) RMTL is 75% owned by Ryobi Development Pte. Ltd., a wholly-owned subsidiary of Ryobi Kiso Holdings Ltd, and the balance 25% shares of RMTL is held by three individuals. KSH Land Development Pte. Ltd is an indirect 100% owned subsidiary of KSH Holdings Limited. LB Property (S) Pte. Ltd. is a 100% owned subsidiary of Lian Beng Group Ltd.

(b) PURCHASE OF PROPERTY

- (i) Ace Zone has on 10 March 2015 completed the purchase of the property at 28-36 Glenthorne Road, London, United Kingdom (the “**Glenthorne Property**”) at Pound Sterling 14.85 million (approximately S\$31.00 million).
- (ii) The Glenthorne Property has freehold title and is located within 2 minutes’ walk from Hammersmith Underground Station in London. It has a gross internal area of approximately 25,700 square feet and currently has 42 hotel units.
- (iii) Ace Zone is proposing to redevelop the Glenthorne Property into a service apartment consisting of approximately 85 rooms.

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- (2) On 15 April 2015, the Company announced that the Company's indirect wholly-owned subsidiary, Heeton Realty Pte. Ltd. has appointed Cushman & Wakefield (S) Pte Ltd as the exclusive marketing agent in connection with the proposed en-bloc disposal of the property known as "iLiv@Grange", located at 74 Grange Road, Singapore 249578.
- (3) On 13 May 2015, the Company released a joint news release with Koh Brothers on the launch of Singapore's first bike-themed executive condominium development, Westwood Residences (西林苑), in Jurong West, Singapore which will comprise 480 units – ranging from two-bedrooms to five-bedrooms, or 64 square-metres to 141 square metres, respectively.
- (4) On 13 July 2015, the Company made the following announcements:

(a) INVESTMENT AND INCORPORATION OF NEW SUBSIDIARY

- (i) Heeton Capital, a wholly-owned subsidiary of the Company has entered into a joint venture arrangement to incorporate Fairmont Land Pte. Ltd. ("**Fairmont**") with the allotment and issuance of 100 ordinary shares of S\$1.00 each for cash consideration in the capital of Fairmont as follows:–

Name of Member	Number of Shares	Percentage of shareholdings
Heeton Capital Pte. Ltd.	55	55
Leeds Investment & Development Pte. Ltd.	15	15
KSH Global Investment Pte. Ltd.	15	15
Wealth Land Pte. Ltd.	15	15

- (ii) Fairmont owns the entire issued and paid-up share capital of Ultra Assets Holdings Limited ("**Ultra Assets**"), a company incorporated in the British Virgin Island, following the transfer of 2 ordinary shares of US\$1.00 each in Ultra Assets from Heeton Capital to Fairmont.
- (iii) Leeds Investment & Development Pte. Ltd. is 75% owned by Ryobi Development Pte. Ltd., a wholly-owned subsidiary of Ryobi Kiso Holdings Ltd. KSH Global Investment Pte. Ltd., an indirect wholly-owned subsidiary of KSH Holdings Limited. Wealth Land Pte. Ltd. is a 100% owned subsidiary of Lian Beng Group Ltd.

(b) PURCHASE OF PROPERTY

Ultra Assets has on 3 July 2015 completed the purchase of the freehold property known as land and buildings on the north side of New York Road, Leeds as registered at the Land Registry under title number WYK592211, United Kingdom.

- (5) On 4 August 2015, the Company sent a Notice of expiry of W150903 warrants which will expire at 5.00 p.m. on Thursday, 3 September 2015.
- (6) On 12 August 2015, the Company announced the proposed Rights Issue.

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- (7) On 17 August 2015, the Company announced a joint news release with Koh Brothers on a new-and-improved suburban mall in Sembawang, Sun Plaza, following a S\$33.0 million asset enhancement drive. The six-storey Sun Plaza, a 50:50 joint venture partnership between Koh Brothers and Heeton, completed additions and alteration works that added 5,772 sq. ft to existing lettable space, bringing total net lettable area to approximately 158,000 sq. ft.
- (8) On 3 September 2015, the Company announced the expiry of the W150903 warrants where any rights comprised in the warrants which have not been exercised lapsed and the warrants ceased to be valid for any purpose.

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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;**
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As at the Latest Practicable Date, the share capital and loan capital of the Company comprise:

<b>Issued and Paid-up Share Capital</b>	:	S\$59,157,665.76
<b>Number of ordinary shares in issue</b>	:	268,615,194
<b>Number of treasury shares</b>	:	Nil
<b>Loan Capital</b>	:	Nil

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- (e) where –**
- (i) the relevant entity is a corporation, state 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, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the Latest Practicable Date;**
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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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The Substantial Shareholders and their interests as at the Latest Practicable Date, as recorded in the Register of Substantial Shareholders kept by the Company under Section 88 of the Companies Act are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
<b>Directors</b>				
Toh Khai Cheng <sup>(1)</sup>	18,364,110	6.84	108,383,220	40.35
Toh Giap Eng <sup>(2)</sup>	25,858,030	9.63	67,390,920	25.09
Toh Gap Seng <sup>(3)</sup>	14,723,370	5.48	770,000	0.29
<b>Substantial Shareholders (other than Directors)</b>				
Heeton Investments Pte Ltd	42,390,920	15.78	25,000,000	9.31
Hong Heng Company Private Limited	40,992,300	15.26	–	–
Kim Seng Holdings Pte Ltd	–	–	18,000,000	6.70
Tan Fuh Gih <sup>(4)</sup>	–	–	18,000,000	6.70
Tan Hoo Lang <sup>(4)</sup>	–	–	18,000,000	6.70
Tan Kim Seng <sup>(4)</sup>	–	–	18,000,000	6.70
Tan Wei Min <sup>(5)</sup>	–	–	15,000,000	5.58

**Notes:**

- (1) Toh Khai Cheng is deemed to be interested in the 67,390,920 Shares held by Heeton Investments Pte Ltd and the 40,992,300 Shares held by Hong Heng Company Private Limited.
- (2) Toh Giap Eng is deemed to be interested in the 67,390,920 Shares held by Heeton Investments Pte Ltd.
- (3) Toh Gap Seng is deemed to be interested in the 770,000 Shares held by his spouse.
- (4) Tan Fuh Gih, Tan Hoo Lang and Tan Kim Seng are deemed to be interested in the 18,000,000 Shares held by Kim Seng Holdings Pte Ltd.
- (5) Tan Wei Min is deemed to be interested in the Shares held by Kim Seng Holdings Pte Ltd. Information on interests in Shares of the Company reflected herein is based the latest notice of interest of substantial shareholders in respect of interests in securities dated 7 February 2007 received by the Company; and the known dilutive effect of the bonus shares of 44,769,194 issued and paid up shares in the Company, which were allotted and issued on 3 September 2013. The Company has not received any further notification from Mr Tan Wei Min of any change in interest further to 7 February 2007.

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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 twelve (12) months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
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## **SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

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Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, as at the date of lodgement of this Offer Information Statement, our Directors are not aware of any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the twelve (12) months preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group taken as a whole.

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- (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;**

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No securities or equity interests have been issued for cash or services within the twelve (12) months immediately preceding the Latest Practicable Date.

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- (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 before 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.**

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Save as disclosed in Part IV, paragraph 9(c) of this Offer Information Statement, as at the Latest Practicable Date, the Directors are not aware of any material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group within two (2) years immediately preceding the date of lodgement of this Offer Information Statement.

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

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**PART V (OPERATING AND FINANCIAL REVIEW AND PROSPECTS)**

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1. Provide selected data from –
    - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
    - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
  
  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 in addition include the following items:
    - (a) dividends declared per share in both currency of the financial statements and the Singapore currency, including the formula used for any adjustments 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.
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The audited consolidated income statements of the Group for FY2012, FY2013, FY2014 and the unaudited consolidated income statements of the Group for HY2015 are set out below:

**Consolidated Income Statement**

	Unaudited			Audited		
	HY2015	HY2014	FY2014	FY2013 (Restated)	FY2013	FY2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	16,106	25,444	36,318	15,065	60,361	52,517
Cost of properties sold	(5,010)	(17,649)	(19,837)	(3,193)	(39,340)	(27,414)
Other operating income	1,551	1,509	3,151	3,733	2,660	1,209
Personnel expenses	(2,639)	(1,893)	(4,347)	(3,394)	(3,533)	(3,265)
Depreciation of fixed assets	(110)	(109)	(218)	(240)	(242)	(246)
Other operating expenses	(4,417)	(5,393)	(9,111)	(6,379)	(9,971)	(8,207)

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

	Unaudited			Audited		
	HY2015	HY2014	FY2014	FY2013 (Restated)	FY2013	FY2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profits from operations	5,481	1,909	5,956	5,592	9,935	14,594
Finance expenses	(7,686)	(4,501)	(11,236)	(2,931)	(5,252)	(4,670)
Finance income	2,708	1,747	4,972	3,030	3,043	2,258
Share of results of associated companies/joint venture companies	18,680	5,115	11,792	8,655	7,110	333
Gain from fair value adjustments of investment properties	–	3,000	3,400	5,300	5,300	42,242
Provision for foreseeable losses on development property	(16,000)	–	(5,000)	–	–	–
Gain from negative goodwill	–	–	–	–	–	564
Profit before tax	3,183	7,270	9,884	19,646	20,136	55,321
Income tax expense	(1,193)	(396)	(1,114)	(1,297)	(1,787)	(2,623)
Profit for the period	1,990	6,874	8,770	18,349	18,349	52,698
Attributable to:						
Owners of the Company	2,651	6,952	9,455	18,350	18,350	52,699
Non-controlling interests	(661)	(78)	(685)	(1)	(1)	(1)
Net profit	1,990	6,874	8,770	18,349	18,349	52,698
Dividend per share (cents)	–	0.50	1.10	1.30	1.30	1.30
Earnings per share (cents) before the Rights Issue						
– Basic	0.99	2.59	3.52	6.83	6.83	19.62
– Diluted	0.99	2.59	3.52	6.83	6.83	19.62
<u>Assuming Minimum Scenario</u>						
Earnings per share (cents) <sup>(1)</sup> after adjusting for the Rights Issue <sup>(2)</sup>						
– Basic	0.82	2.14	2.91	5.66	5.66	16.25
– Diluted	0.82	2.14	2.91	5.66	5.66	16.25

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

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	Unaudited			Audited		
	HY2015	HY2014	FY2014	FY2013	FY2013	FY2012
	\$'000	\$'000	\$'000	(Restated) \$'000	\$'000	\$'000
<u>Assuming Maximum Scenario</u>						
Earnings per share (cents) <sup>(1)</sup> after adjusting for the Rights Issue <sup>(3)</sup>						
– Basic	0.74	1.94	2.64	5.12	5.12	14.71
– Diluted	0.74	1.94	2.64	5.12	5.12	14.71

**Notes:**

- (1) Calculated based on the weighted average number of Shares of 268,615,194 Shares in FY2012, FY2013, FY2014, HY2014 and HY2015.
- (2) Calculated based on the weighted average number of Shares in note (1) above and adjusting for the issue of 55,776,243 Rights Shares, assuming that (i) only the Undertaking Shareholders subscribes for their entitlements of Rights Shares; and (ii) the Rights Issue does not take into account the effects of the use of the net proceeds on the earnings of the Group.
- (3) Calculated based on the weighted average number of Shares in note (1) above and adjusting for the issue of 89,538,398 Rights Shares, assuming that (i) all Entitled Shareholders subscribe for their entitlements of Rights Shares; and (ii) the Rights Issue does not take into account the effects of the use of the net proceeds on the earnings of the Group.

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**3. In respect of –**

- (a) each financial year (being one of the three (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 the relevant entity 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 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.**

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**FY2013 vs FY2012**

Commentary on the Consolidated Income Statements

Revenue comprises rental income from investment properties as well as proceeds from the sales of the Group's residential projects.



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

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The Group's turnover for FY2013 increased by 14.9% to \$60.36 million compared to \$52.52 million for FY2012. This was mainly due to revenue contribution from residential projects, Lincoln Suites and the Britton in London, which was higher than that recognised from Lincoln Suites, The Britton and The Lumos in FY2012.

Cost of properties sold in FY2013 increased by 43.5% over FY2012 as a result of higher cost of development for Lincoln Suites and the Britton which was in line with the higher revenue recognised in these two projects.

Other operating income increased by 120.0% to \$2.66 million from \$1.21 million. This was mainly due to increase in dividend income of \$265,000 received from an investee company during FY2013 and forfeiture of deposit of \$1.04 million for aborted sales transaction.

Other operating expenses for FY2013 rose by 21.5% to \$9.97 million from \$8.21 million. This was mainly due to sales and marketing expenses of \$1.16 million relating to Onze@Tanjong Pagar and expenses of \$1.16 million incurred for the establishment of the \$300.00 million multicurrency debt issuance programme during FY2013.

Finance income rose by 34.8% to \$3.04 million, mainly due to an increase in interest-bearing advances made to an associated company in FY2013 as compared to FY2012. Finance expenses increased by 12.5% to \$5.25 million, mainly as a result of the \$75.0 million bond issued in November 2013.

Share of profits from associated companies increased from \$333,000 to \$7.11 million in FY2013. This was mainly attributed to (i) progressive profit recognition of \$3.35 million from The Boutiq, a residential project under the Group's associated company, (ii) revaluation gain of \$2.69 million on 223 Mountbatten, an investment property under the Group's associated company, (iii) as well as surplus of \$964,000 recognised upon asset disposal by the Group's associated company in Jiujiang, China.

The Group recorded a \$5.30 million fair value gain on three investment properties, Tampines Mart, The Woodgrove, and 62 Sembawang Road during FY2013. This was considerably lower than the \$42.24 million fair value gain recorded in FY2012 as a significant portion of the fair value gain of \$34.44 million that arose in FY2012 was due to reclassification of El Centro from development property to investment property.

Taking into account of the above, profit before tax from operations decreased by 63.6% from \$55.32 million in FY2012 to \$20.14 million in FY2013. Over the same period, excluding the gain from fair value adjustments of investment properties and gain from negative goodwill, its profit before tax from operations increased by \$2.32 million from \$12.52 million in FY2012 to \$14.84 million in FY2013.

On an after tax basis, net profit in FY2013 decreased by 65.2% to \$18.35 million, from \$52.70 million recorded in FY2012.

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

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### FY2014 vs FY2013 (restated)

#### Commentary on the Consolidated Income Statements

Revenue comprises rental income from investment properties as well as proceeds from the sales of the Group's residential projects.

The Group's turnover for FY2014 increased by 141.1% to \$36.32 million compared to \$15.07 million for FY2013. This was mainly due to revenue contribution of \$24.11 million from two residential projects, Onze@Tanjong Pagar and the Earlington in London, as compared to only \$3.37 million from one residential project, the Britton in London, in FY2013.

Similarly, cost of properties sold in FY2014 increased by 521.3% over FY2013 as a result of recognition of cost of development for Onze@Tanjong Pagar and the Earlington in London.

Other operating income decreased by 15.6% to \$3.15 million from \$3.73 million. This was mainly due to absence of dividend income of \$593,000 which was received from an investee company during FY2013.

Personnel expenses increased by 28.1% to \$4.35 million in FY2014 was mainly due to increase in headcounts following the commencement of operations in London. Provision for foreseeable losses of \$5 million was made for one of the Group's development property in 4Q2014. Other operating expenses increased by 42.8% to \$9.11 million from \$6.38 million. This was mainly due to sales and marketing expenses of \$2.31 million relating to two residential projects, Onze@Tanjong Pagar and the Earlington, as well as expenses of \$1.0 million incurred for the \$60.0 million bond issued in second quarter of 2014.

Finance income rose by 64.1% to \$4.97 million, mainly due to an increase in interest-bearing advances made to a associated companies in FY2014 as compared to FY2013. Finance expenses increased by 283.4% to \$11.24 million from \$2.93 million in FY2013. This was mainly due to (i) the \$135 million bond interest expenses of \$6.26 million; (ii) interest expense of \$803,000 on loans from associated companies; and (iii) bank loan interest expense of \$1.90 million on a development property in which TOP was obtained in October 2013.

Share of profits from associated companies and joint venture companies increased by 36.2% to \$11.79 million in FY2014. This was mainly attributed to higher progressive profit recognition of various residential projects in the associated companies.

The Group recorded a \$3.40 million fair value gain during FY2014 from three investment properties, Tampines Mart, The Woodgrove, and 62 Sembawang Road during FY2014.

Taking into account the above factors, the Group recorded a 52.2% decline in net profit after tax to \$8.77 million in FY2014, compared to \$18.35 million recorded in FY2013.

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

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### HY2015 (unaudited) vs HY2014 (unaudited)

#### Commentary on the Consolidated Income Statements

Revenue comprises rental income from investment properties as well as proceeds from the sales of the Group's residential projects.

The Group's revenue for HY2015 decreased by 36.7% to \$16.11 million compared to \$25.44 million for HY2014. This was mainly due to lower contribution from two residential projects in HY2015 of \$6.33 million as compared to HY2014 of \$20.17 million. Revenue from investment properties in HY2015 increased by \$3.95 million due to newly acquired properties, Adam House and Hotel ibis Styles London Kensington in London.

Cost of properties sold in HY2015 decreased by 71.6% over HY2014 as a result lower revenue contribution from residential projects.

Personnel expenses increased by 39.4% to \$2.64 million in HY2015 as a result of increase in headcounts following the commencement of operations of Adam House and Hotel ibis Styles London Kensington in London.

Other operating expenses decreased by 18.1% from \$5.39 million to \$4.42 million in HY2015. This was mainly due to (i) significant expenses incurred in 2Q2014 pertaining to sales and marketing expenses of \$2.18 million for residential projects, Onze@Tanjong Pagar and Earlington and expenses of \$1.0 million incurred for the \$60.0 million bond issued in HY2014; (ii) operating expenses of approximately \$1.91 million in HY2015 for newly acquired properties, Adam House and Hotel ibis Styles London Kensington.

Finance income rose by 55.0% from \$1.75 million to \$2.71 million, mainly due to an increase in interest-bearing advances made to associated companies in HY2015 as compared to HY2014. Finance expenses increased to \$7.69 million in HY2015 from \$4.50 million in HY2014. This was mainly due higher bond interest expense as a result of the additional bond issue of \$60.00 million drawdown in June 2014 as well as loan interest for Adam House and Hotel ibis Styles London Kensington.

Share of profits from associated companies/joint venture companies increased by 265.2% to \$18.68 million in HY2015. This was mainly attributed to progressive profit recognition of the various residential projects under the Group's associated companies as well as fair value gain from Sun Plaza of approximately \$12.50 million after the completion of its refurbishment in 2Q2015.

The Group made a provision for foreseeable losses of \$16.00 million for one of its development properties in 2Q2015.

Income tax expense increased from \$396,000 to \$1.19 million in HY2015 despite a decrease in profit before tax mainly because the provision for foreseeable losses in development property of \$16.00 million is not tax deductible.

Taking into account the above factors, the Group recorded a 71.1% decline in net profit after tax to \$1.99 million for HY2015, compared to \$6.87 million recorded in HY2014.

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

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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; and
  - (b) if interim financial statements have been published for any subsequent period, that period.
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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**Statement of Financial Position**

	<b>Unaudited</b>	<b>Audited</b>	
	<b>HY2015</b>	<b>FY2014</b>	<b>FY2013</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>(Restated)</b>
			<b>\$'000</b>
<b>Assets</b>			
Fixed assets	100,349	68,291	455
Investment properties	173,949	172,333	138,900
Associated companies	52,823	44,022	22,137
Joint venture companies	59,717	50,330	55,962
Amounts due from associated companies, joint venture companies and investee companies	185,937	175,327	111,013
Other investments	218	218	218
Intangible assets	109	109	109
Deferred tax assets	3	–	8
<b>Non-current assets</b>	<b>573,105</b>	<b>510,630</b>	<b>328,802</b>

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

	<b>Unaudited HY2015</b>	<b>Audited FY2014</b>	<b>Audited FY2013 (Restated)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Development properties	192,140	210,694	224,261
Trade receivables	504	159	287
Other receivables	9,064	8,670	6,039
Prepayments	560	574	835
Amounts due from related parties (trade)	13	37	13
Amounts due from joint venture company (non-trade)	–	1,293	–
Fixed deposits	10,209	20,036	47,124
Cash and bank balances	27,312	19,485	9,155
<b>Current assets</b>	<b>239,802</b>	<b>260,948</b>	<b>287,714</b>
<b>Total assets</b>	<b>812,907</b>	<b>771,578</b>	<b>616,516</b>
<b>Equity</b>			
Share capital	58,803	58,803	58,803
Reserves	(596)	(1,040)	(247)
Retained earnings	250,237	249,197	244,577
<b>Equity attributable to owners of the Company</b>	<b>308,444</b>	<b>306,960</b>	<b>303,133</b>
<b>Non-controlling interests</b>	<b>2,692</b>	<b>19,787</b>	<b>(4)</b>
<b>Total equity</b>	<b>311,136</b>	<b>326,747</b>	<b>303,129</b>
<b>Liabilities</b>			
Other payables and accruals	1,007	1,025	960
Lease obligations	–	–	21
Amounts due to associated companies and joint venture companies (non-trade)	36,763	36,079	–
Amounts due to non-controlling interests (non-trade)	29,923	–	–
Bonds	60,000	60,000	75,000
Bank term loans	184,193	167,923	167,191
Deferred tax liabilities	539	159	–
<b>Non-current liabilities</b>	<b>312,425</b>	<b>265,186</b>	<b>243,172</b>

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

	<b>Unaudited HY2015</b>	<b>Audited FY2014</b>	<b>Audited FY2013 (Restated)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade payables	8,591	5,944	6,710
Other payables and accruals	7,976	5,135	4,728
Lease obligations	3	20	45
Bonds	75,000	75,000	–
Short-term bank loans	–	–	1,000
Bank term loans	94,939	92,139	56,365
Bank overdrafts	1,323	–	–
Income tax payable	1,514	1,407	1,367
<b>Current liabilities</b>	<b>189,346</b>	<b>179,645</b>	<b>70,215</b>
<b>Total liabilities</b>	<b>501,771</b>	<b>444,831</b>	<b>313,387</b>
<b>Total equity and liabilities</b>	<b>812,907</b>	<b>771,578</b>	<b>616,516</b>
<b>NAV before Right Issue</b>			
Number of shares ('000)	268,615	268,615	268,615
NAV per share (cents) <sup>(1)</sup>	114.83	114.28	112.85
<u>Assuming Minimum Scenario</u>			
NAV after Rights Issue (SGD'000)	335,444	333,960	330,133
NAV per Share after Right Issue <sup>(2)</sup> (cents)	103.41	102.95	101.77
Number of Shares after Right Issue <sup>(2)</sup> ('000)	324,391	324,391	324,391
<u>Assuming Maximum Scenario</u>			
NAV after Rights Issue (SGD'000)	352,044	350,560	346,733
NAV per Share after Right Issue <sup>(3)</sup> (cents)	98.29	97.88	96.81
Number of Shares after Right Issue <sup>(3)</sup> ('000)	358,154	358,154	358,154

**Notes:**

- (1) Calculated based on the weighted average number of Shares of 268,615,194 Shares in FY2013, FY2014 and HY2015.
- (2) Calculated based on Minimum Subscription Scenario with net proceeds of \$27.0 million and the total number of Shares in note (1) above adjusting for the issue of 55,776,243 Rights Shares, assuming that only the Undertaking Shareholders subscribes for their entitlements of Rights Shares.
- (3) Calculated based on the Maximum Subscription Scenario with net proceeds of \$43.6 million and the total number of Shares in note (1) above adjusting for the issue of 89,538,398 Rights Shares, assuming that all Entitled Shareholders subscribe for their entitlements of Rights Shares.

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

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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.
- 

**Consolidated Statement of Cash Flows**

	<b>Unaudited HY2015 S\$'000</b>	<b>Audited FY2014 S\$'000</b>
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	3,183	9,884
<b>Adjustments for:</b>		
Depreciation on fixed assets	110	218
Loss on disposal of property, plant and equipment	874	–
Share of results of associated companies/joint venture companies	(18,680)	(11,792)
Gains from fair value adjustments of investment properties	–	(3,400)
Provision for foreseeable losses on development property	16,000	5,000
Interest expense	7,686	11,236
Interest income	(2,708)	(4,972)
Unrealised exchange differences	237	(462)
	<hr/>	<hr/>
	6,702	5,712
Decrease in development properties	2,554	9,855
(Increase) decrease in trade receivables	(345)	128
Increase in other receivables	(394)	(2,631)
Decrease in prepayments	14	261
Increase (decrease) in trade payables	2,647	(766)
Increase in other payables and accruals	2,822	472
Decrease (increase) in amounts due from related parties, net	24	(24)
	<hr/>	<hr/>
Cash generated from operating activities	14,024	13,007

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

	<b>Unaudited HY2015 S\$'000</b>	<b>Audited FY2014 S\$'000</b>
Interest received	2,708	4,972
Interest paid, excluding amounts capitalised	(7,686)	(12,524)
Income taxes paid	(709)	(907)
<b>Net cash from operating activities</b>	<b>8,337</b>	<b>4,548</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(33,042)	(4,198)
Net cash outflow on acquisition of subsidiaries	–	(53,681)
Net cash outflow on acquisition of an associated company	–	(2,092)
Net cash outflow on acquisition of an investment property	–	(22,169)
Renovation of investment property	(790)	–
Net loan to and investment in associated companies and joint venture companies	(8,480)	(29,791)
Proceeds from liquidation of an associated company	200	–
<b>Net cash used in investing activities</b>	<b>(42,112)</b>	<b>(111,931)</b>
<b>Cash flows from financing activities</b>		
Repayment of lease obligations, net	(17)	(46)
Proceeds from bank loans, net	19,317	35,506
Proceeds from bond issue	–	60,000
Loans from non-controlling interests	12,763	–
Dividends paid on ordinary shares of the Company	(1,611)	(4,835)
<b>Net cash from financing activities</b>	<b>30,452</b>	<b>90,625</b>
Net decrease in cash and cash equivalents	(3,323)	(16,758)
Cash and cash equivalents at beginning of the period*	39,521	56,279
<b>Cash and cash equivalents at end of the period*</b>	<b>36,198</b>	<b>39,521</b>



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

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### Review of cash flows for FY2014

Cash and cash equivalents decreased by \$16.76 million in FY2014 because the following major cash outflows exceed cash inflows during the year:

#### *Cash outflows:*

- net cash outflow of \$53.68 million for the investment in subsidiaries mainly for the acquisition of Woodley Hotels (Kensington) Limited, the owner of Hotel ibis Styles London Kensington;
- net cash outflow of \$22.17 million for the acquisition of investment properties, Adam House;
- net cash outflow of \$4.20 million for the acquisition of a hotel site in Brisbane, Australia;
- loans of \$5.83 million and \$23.96 million to investee company and associated companies respectively; and
- dividend payments made during the year of \$4.84 million.

#### *Cash inflows:*

- net cash generated from operations of \$11.72 million partly due to receipt of progress billings upon the completion of Earlington residential project in London;
- proceeds from bond issue amounting to \$60.0 million; and
- proceeds from bank loans of \$35.51 million.

### Review of cash flows for HY2015

Cash and cash equivalents decreased by \$3.32 million in HY2015 because the following major cash outflows exceed cash inflows during the period:

#### *Cash outflows:*

- net cash outflow of \$33.04 million for the acquisition of fixed assets, including the property at Glenthorne Road in London;
- loans of \$8.48 million to associated companies and joint venture companies; and
- dividends paid of \$1.61 million.

#### *Cash inflows:*

- net cash generated from operating activities of \$8.34 million partly due to receipt of progress billings from Onze@Tanjong Pagar;
- proceeds from bank loans of \$19.32 million; and
- additional loans from non-controlling interest of \$12.76 million.

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

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

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Our Directors are of the opinion that, after taking into account the Group's internal sources, operating cash flows and banking facilities, the Group's working capital as at the date of lodgement of this Offer Information Statement is sufficient to meet our present funding requirements.

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

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To the best of the Directors' knowledge, the Group is not in breach of any of the 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 investment 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 of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.
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## **SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

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Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, the Directors are not aware of any known trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information to be not necessarily indicative of the future operating results or financial condition of the Group.

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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. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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- 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. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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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 his 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.**
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Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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

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

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

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- (b) a statement by an auditor of the relevant party, 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.
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Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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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.
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Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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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 party 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.

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

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Save as disclosed in this Offer Information Statement and as disclosed by the Company on the SGXNET, our Directors are not aware of any event which has occurred since 30 June 2015 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

**Meaning of “published”**

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- 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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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

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**PART VI (THE OFFER AND LISTING)**

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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\$0.493, payable in full on acceptance and/or application.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers of the Rights Shares. An administrative fee will be incurred for each Electronic Application made through ATMs of the respective Participating Bank.

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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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Not applicable. The Rights Shares shall be traded on the Official List of the SGX-ST.

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

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

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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 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” on pages 14 to 16 of this Offer Information Statement for further details.

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

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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 at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
    - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
    - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
  - (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
    - (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
    - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
  - (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
  - (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.
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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

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- (a) The highest and lowest traded prices and volume of the Shares traded on the SGX-ST over the last twelve (12) months immediately preceding the Latest Practicable Date and for the period from 1 August 2015 to the Latest Practicable Date are as follows:

	Share Price (S\$)		Volume
	High	Low	
September 2014	0.66	0.62	636,000
October 2014	0.67	0.615	183,000
November 2014	0.645	0.60	254,000
December 2014	0.61	0.575	246,000
January 2015	0.655	0.60	2,785,200
February 2015	0.645	0.62	809,600
March 2015	0.69	0.615	1,062,200
April 2015	0.64	0.61	567,300
May 2015	0.63	0.595	912,500
June 2015	0.60	0.595	31,000
July 2015	0.60	0.55	757,100
August 2015	0.590	0.425	3,579,300
1 September 2015 to the Latest Practicable Date	0.475	0.440	897,900

Source: Bloomberg<sup>(1)</sup>

**Note:**

- (1) *Bloomberg L.P.* has not consented to the inclusion of the prices quoted under this section and is thereby not liable for such information under Sections 253 and 254 of the Securities and Future Act. The Company has included the above information in their proper form and context in this Offer Information Statement and has not verified the accuracy of these statements.
- (b) Not applicable as the Shares have been listed and quoted for more than twelve (12) month immediately preceding the Latest Practicable Date.
- (c) There has been no significant trading suspension for the Shares during the three (3) years immediately preceding the Latest Practicable Date.
- (d) The Shares are regularly traded on the Official List of the SGX-ST.



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

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5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –
- (a) A statement of the rights, preferences and restrictions attached to the securities being offered; and
  - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.
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Not applicable as the Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

The Rights Shares are to be issued pursuant to the share issue mandate granted to the Directors at the Annual General Meeting of the Company held on 24 April 2015.

### 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.
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Basis of Provisional Allotment : The Rights Issue is proposed to be offered on a renounceable non-underwritten basis by the Company of up to 89,538,398 Rights Shares on the basis of one (1) Rights Share for every three (3) existing Shares held by Entitled Shareholders as at the Books Closure Date.

Issue Price : S\$0.493 per Rights Share

Entitled Shareholders : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

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

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The provisional allotments which are not taken up or allotted for any reason, will be aggregated and used to satisfy Excess Applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of any Excess Rights Shares, 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The Directors will take steps to ensure that Rule 803 of the Listing Manual, on the restriction of transfer of controlling interest without prior approval of Shareholders in a general meeting, is complied with in their exercise of discretion to allot and issue any Excess Rights Shares.

- Foreign Shareholders : Please refer to the section entitled "Eligibility of Shareholders to Participate in the Rights Issue" on pages 14 to 16 of this Offer Information Statement for further details.
- Terms and Conditions : The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, including the Appendices to this Offer Information Statement, the ARE, the ARS and the PAL.

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**7. 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. The Rights Issue is not underwritten.

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

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**PART VII (ADDITIONAL INFORMATION)**

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- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
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Not applicable. No statement or report was made by an expert in this Offer Information Statement.

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- 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 or report was made by an expert in this Offer Information Statement.

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- 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 or report made by an expert is included in this Offer Information Statement.

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**Consents from Issue Managers and Underwriters**

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- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) in 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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Not applicable. No issue manager or underwriter was appointed for this Rights Issue exercise.

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

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5. **Include particulars of any other matters not disclosed under any 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.**
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Save as disclosed in this Offer Information Statement and to the best of our Directors’ knowledge, our Directors are not aware of any other matter which could materially affect, directly or indirectly:

- (a) the Company’s business operations or financial position or results; or
- (b) investments by holders of securities in the Company.

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

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

Not applicable.

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

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**PART IX (ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES)**

Not applicable.

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

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### PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

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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 and payment for the securities to be issued pursuant to the rights issue;
  - (d) the last day and time for the renunciation of and payment by the renouncee 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.
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1. Particulars of the Rights Issue:

Number of Rights Shares to be issued	:	Up to 89,538,398 Rights Shares are offered pursuant to the Rights Issue. The actual number of Rights Shares to be issued will depend on the level of the subscriptions of valid acceptances for the provisional allotment of Rights Shares and the valid applications for Excess Rights Shares.
Issue Price	:	S\$0.493 for each Rights Share, payable in full on acceptance and/or application.
Basis of provisional allotment	:	One (1) Rights Share for every three (3) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the existing Shares save that they will not rank for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.
Eligibility to participate in the Rights Issue	:	Please refer to the section entitled “Eligibility of Issue Shareholders to Participate in the Rights Issue” on pages 14 to 16 of this Offer Information Statement for further details.
Acceptance, Excess Application and Payment Procedures	:	The procedures for acceptance, Excess Application payment procedures and payment by Entitled Shareholders are set out in Appendices A to C of this Offer Information Statement, the PAL, the ARE and the ARS.

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

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- Listing of the Rights Shares : The SGX-ST had on 18 September 2015 granted the approval-in-principle for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The approval-in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries, or the Shares. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.
- Trading of the Rights Issue : Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Use of CPF Funds : CPFIS Members may use their CPF Funds (subject to the availability of investible savings) for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares and/or apply for Excess Rights Shares, subject to the applicable CPF rules and regulations. Such CPFIS Members will need to instruct their respective approved CPF agent banks where they hold their CPF investment accounts, to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members can 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. CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions early in order for their CPF agent banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any applications made directly through CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, CPF Funds may not be used for the purchase of the provisional allotments of the Rights Shares directly from the market.
- Non-underwritten basis : The Rights Issue is not underwritten.
- Governing Law : Laws of the Republic of Singapore



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

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2. The last date and time for splitting of the provisional allotments of Rights Shares is on 12 October 2015 at 5.00 p.m.
3. The last date and time for acceptance of Rights Shares, application for the Excess Rights Shares and payment for Rights Shares and/or Excess Rights Shares is on 16 October 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications).
4. The last date and time for acceptance of and payment by the renounee for the Rights Shares is on 16 October 2015 at 5.00 p.m.
5. The allotment and issue of the Rights Shares are governed by the terms and conditions as set out in this Offer Information Statement, in particular, Appendices A to C of this Offer Information Statement and 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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As at the Latest Practicable Date, Hong Heng Company Private Limited, Heeton Investments Pte Ltd, Toh Khai Cheng, Toh Giap Eng, and Toh Gap Seng (the “**Undertaking Shareholders**”), have direct and deemed interests in 167,328,730 Shares, representing approximately 62.3% of the Existing Share Capital.

As an indication of their support and commitment to the Company, the Undertaking Shareholders, have each provided an irrevocable undertaking dated 12 August 2015 to the Company, to, *inter alia*:

- (a) subscribe and pay and/or procure subscription and payment for his *pro rata* entitlement to the Rights Shares, in accordance with the terms and conditions of the Rights Issue; and
- (b) that as at Books Closure Date, the number of Shares held by him will not be less than the number of Shares held by him as at the date of such undertaking.

(collectively, the “**Irrevocable Undertakings**”).

Each of the Undertaking Shareholders has also provided confirmations from financial institutions that he has sufficient financial resources to fulfil his respective obligations under the Irrevocable Undertakings.

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

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

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After taking into consideration the costs of engaging an underwriter and having to pay commission in relation to the underwriting and taking into account the Irrevocable Undertaking, the Directors decided that it is not feasible and practicable for the Rights Issue to be underwritten by a financial institution.

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**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES  
UNDER APPENDIX 8.2 OF THE LISTING MANUAL**

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**Working Capital**

Provide a review of the working capital for the last 3 financial years and the latest half year, if applicable.

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	<b>WORKING CAPITAL</b>				
	<b>Audited as at 31 Dec 2012 S\$'000</b>	<b>Audited as at 31 Dec 2013 \$'000</b>	<b>Audited as at 31 Dec 2013 (restated) S\$'000</b>	<b>Audited as at 31 Dec 2014 S\$'000</b>	<b>Unaudited as at 30 June 2015 S\$'000</b>
Total Current Assets	261,916	402,628	287,714	260,948	239,802
Total Current Liabilities	114,994	153,246	70,215	179,645	189,346
Net Current Assets	146,922	249,382	217,499	83,303	50,456

**Review of Working Capital**

**31 December 2013 versus 31 December 2012**

Current assets increased from \$261.92 million as at FY2012 to \$402.63 million as at FY2013 mainly due to (i) an increase in development properties as a result of reclassification of El Centro to development property in 3Q2013; and (ii) increase in fixed deposits and cash balances as a result of unutilised proceeds from the \$75.0 million bond issue.

Current liabilities increased from \$115.0 million to \$153.25 million mainly due to increase in bank term loans, current portion.

**31 December 2014 versus 31 December 2013 (restated)**

Current assets decreased from \$287.71 million as at FY2013 to \$260.95 million as at FY2014 mainly due to decrease in fixed deposit from \$47.12 million to \$20.04 million for the Group's new investments in London and Australia.

Current liabilities increased from \$70.22 million to \$179.65 million mainly due to (i) the reclassification of the \$75.0 million bond issued in November 2013 payable in November 2015 from non-current to current liabilities and (ii) increase in current portion of bank term loans from \$56.37 million to \$92.14 million.

**30 June 2015 versus 31 December 2014**

Current assets decreased from \$260.95 million to \$239.80 million in FY2015 was mainly due to decrease in development properties from \$210.69 million to \$192.14 million in FY2015 mainly resulting from the provision of foreseeable losses of \$16.0 million in 2Q2015.

Current liabilities increased marginally from \$179.65 million to \$189.35 million in HY2015.

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**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES  
UNDER APPENDIX 8.2 OF THE LISTING MANUAL**

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**Convertible Securities**

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

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

(ii) Not applicable. The Rights Issue is not underwritten by any financial institution.

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**Responsibility Statement**

**A responsibility statement by the financial adviser stating that to the best of the financial adviser's knowledge and belief, the document constitutes full and true disclosure of all material facts about the rights issue, the issuer and its subsidiaries, and the financial adviser is not aware of any facts the omission of which would make any statement in the document misleading.**

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Not applicable. No financial adviser has been appointed.

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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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### **1. INTRODUCTION**

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

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

Renounceable PAL incorporating:

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

The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement and the enclosed PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL. Entitled Scripholders 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 entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of any application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such application and present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

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

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

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The full amount payable for the relevant number of Rights Shares accepted/applied for will be rounded up to the nearest whole cent, if applicable.

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

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this PAL and/or this Offer Information Statement has no right 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

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

- (a) complete and sign the Form A of the PAL for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL at his own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902**, so as to arrive not later than **5.00 p.m. on 16 October 2015** (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

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix A 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.

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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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### **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 to be applied towards the payment of his acceptance of Rights Shares.

### **3. REQUEST FOR SPLITTING (FORM B), RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)**

Entitled Scripholders who wish to accept a portion of their provisional allotments of Right Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one (1) person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**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 the sender's own risk, to reach **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902**, not later than **5.00 p.m. on 12 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 12 October 2015** (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 the Form for Renunciation (Form C) before delivery to the renounee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with remittance for the payment in the prescribed manner to **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one (1) 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 allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounee(s). The renounee 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 **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902**, not later than **5.00 p.m. on 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).



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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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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 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 completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares 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).**

#### **4. PAYMENT**

Payment for full amount due on acceptance and/or application in relation to the PALs 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 “**HEETON RIGHTS ISSUE ACCOUNT**” and crossed “**NOT NEGOTIABLE, A/C PAYEE ONLY**” with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided at the sender’s own risk, to **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902**, so as to arrive not later than **5.00 P.M. on 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the prescribed manner as set out in the PAL is not received by **5.00 p.m. on 16 October 2015** (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 lapsed and become void and such provisional allotments 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 14 days after the Closing Date.

#### **5. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)**

Form E contains full instructions with regard to the application for Excess Rights Shares, and payment and the procedures to be followed if you wish to apply for Rights Shares in excess of your provisional allotment of Rights Shares.

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 for the application for Excess Rights Shares (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the

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

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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 **HEETON HOLDINGS LIMITED C/O M & C SERVICES PRIVATE LIMITED, 112 ROBINSON ROAD #05-01 SINGAPORE 068902** so as to arrive not later than **5.00 p.m. on 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

The Excess Rights Shares are available for application subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association 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 renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the 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 this Offer Information Statement, the PAL, Form E and (if applicable) the Memorandum and Articles of Association of the Company.

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. In the allotment of Excess Rights Shares, 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. 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 refuse, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever. CDP takes no responsibility for any decision that the Directors may make. In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them. 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 or the surplus of the application monies for Excess Rights Shares received by the Company, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **BY ORDINARY POST** at their **OWN RISK**.

### 6. GENERAL

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications. **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser, accountant or other professional adviser immediately.**

Upon listing and quotation on the Official List of the SGX-ST, 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 SGX-ST and/or CDP

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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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shall be made in accordance with CDP's ("**Terms and Conditions for Operation of Securities Accounts with CDP**"), 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 the Official List of SGX-ST 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 Accounts before accepting any Rights Shares or applying for any Excess Rights Shares 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 into their Securities Accounts must fill in their Securities Account numbers and/or 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 or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the Official List of SGX-ST under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title. These physical share certificates will be sent **BY ORDINARY POST** to person(s) entitled thereto at his/their **OWN RISK**.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses 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 who wishes to trade on SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly stamped and executed instrument(s) of transfer in favour of CDP, pay the applicable fees 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 IS 5.00 P.M. ON 16 OCTOBER 2015 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).**

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

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### 1. INTRODUCTION

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

#### Use of CPF Funds

**CPFIS Members who had previously bought their Shares under the CPFIS-OA can only use, subject to applicable CPF rules and regulations, their CPF Funds to subscribe for the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective CPF approved banks, where such CPFIS Members hold their CPF investment accounts, to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF funds or stock limit, CPFIS Members may top up cash into their CPF investment accounts before instructing their respective CPF approved banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members are advised to provide their respective CPF approved banks with the appropriate instructions early in order for their respective CPF approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptances and/or applications made directly through CDP, the Share Registrar and/or the Company, and/or through ATMs of the Participating Bank will be rejected. CPF Funds cannot be used for the purchase of the provisional allotments of Rights Shares directly from the market.**

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

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### Use of SRS Funds

SRS investors who had previously bought Shares using their SRS accounts to can only use, subject to certain conditions as may be imposed under the SRS rules and regulations and/or by the SRS operators, can only do so, using the funds from their SRS Accounts (subject further to the availability of investible funds) (“SRS Funds”) to subscribe for the Rights Shares and (if applicable) apply for the Excess Rights Shares. SRS investors who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS Funds will need to instruct the relevant approved banks in which they hold their SRS accounts to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Entitled Depositors who have insufficient funds in their SRS account may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks before instructing their respective approved banks to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts 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 acceptances and/or applications made directly through CDP, the Share Registrar and/or the Company, and/or through ATMs of the Participating Bank will be rejected. SRS Funds may not be used for the purchase of the provisional allotments of Rights Shares directly from the market.

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 this 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 THE 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.**

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

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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 with the terms and conditions of this Offer Information Statement, 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 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 Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. 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 for acceptance of the provisional allotment of Rights Shares 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.

**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 or by way of Electronic Application through an ATM of the Participating Bank as described below. For investors who hold Shares through finance companies or Depository Agents, CPF approved banks or 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. For such investors, applications for Rights Shares and/or Excess Rights Shares made directly through CDP, the Share Registrar, the Company or through ATMs of the Participating Bank will be rejected.**

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

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### 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 C of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

**IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES 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 A of Section (II) of the ARE the number of Rights Shares provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the ARE the number of Excess Rights Shares applied for and in Section (II) of the ARE the respective and total amounts to be made payable to **“CDP – HEETON RIGHTS ISSUE ACCOUNT”**; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
  - (i) by hand to **HEETON HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588**; or
  - (ii) by post, **AT THE SENDER’S OWN RISK**, in the self-addressed envelope provided, to **HEETON 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 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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

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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 – HEETON 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 B which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares 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 Official List of 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
- (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 paragraph 2.1 or 2.3 above.



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

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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 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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,

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

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Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. 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 16 October 2015** (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 ONE (1) RIGHTS SHARE FOR EVERY THREE (3) ORDINARY SHARE(S) AT AN ISSUE PRICE OF S\$0.493**

As an illustration, if an Entitled Depositor has 30,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 10,000 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**

- (a) Accept his entire provisional allotment of 10,000 Rights Shares and (if applicable) apply for Excess Rights Shares.

#### **Procedures to be taken**

- (1) Accept his entire provisional allotment of 10,000 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 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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

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### Alternatives

### Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 10,000 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\$4,930 (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 – HEETON 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 **HEETON HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **HEETON 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 16 October 2015** (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.**

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

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### Alternatives

### Procedures to be taken

(b) Accept a portion of his provisional allotment of Rights Shares, for example 2,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

(1) Accept his provisional allotment of 2,000 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 16 October 2015**; or

(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 2,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$986.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 16 October 2015** (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 2,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares 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 2,000 provisionally allotted Rights Shares, and reject the balance.

(1) Accept his provisional allotment of 2,000 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 16 October 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

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

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### Alternatives

### Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 2,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$986.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 16 October 2015** (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 2,000 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 16 October 2015** or if an acceptance is not made through CDP by **5.00 p.m. on 16 October 2015**.

## 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 16 OCTOBER 2015 (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.**
- (B) **5.00 P.M. ON 16 OCTOBER 2015 (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; AND**

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 16 October 2015** (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 16 October 2015** (or such other time(s) and/or

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

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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 moneys 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 means of a crossed cheque in Singapore currency sent by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as recorded with CDP or such other manner as may be agreed with CDP for the payment of cash for the payment of cash distributions or by crediting their accounts with the Participating Bank (where acceptance is through Electronic Application at the ATMs) after the Closing Date.

**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.**

### **5.2 Appropriation**

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:
  - (i) 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, or
  - (ii) the amounts as stated in Parts (A) and (B) of Section (II) in the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for the Excess Rights Shares,

the Company and/or 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. Without prejudice to the above, CDP shall be entitled to make such appropriation for each application based on the amount received for that application notwithstanding payment (or overpayment) made in that or other application(s). The determination and appropriation by the Company and CDP shall be conclusive and binding;

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

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- (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)) which he has authorised or deemed to have authorised to apply towards the payment for acceptance of the Rights Shares and/or application for Excess Rights Shares 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 Memorandum and Articles of Association 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 Depositors, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of 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 and Directors 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. 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.

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

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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 moneys, 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 14 days after the Closing Date, 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 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 16 October 2015** (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 – HEETON 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 **HEETON HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **HEETON 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 16 October 2015** (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 16 October 2015** (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.



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

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All moneys 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' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP (where acceptance is through CDP), at the Entitled Depositors' or the Purchasers' (as the case may be) own risk within 14 days after the Closing Date.

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

### **5.5 Certificates**

The certificates for the Rights Shares 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.

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

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### CDP Phone User Guide

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

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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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The procedures for Electronic Applications 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. 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 Entitled Depositor or the Purchaser who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the excess Rights Shares through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Bank before he can make an Electronic Application through an ATM of the Participating Bank.

The actions that the Applicant must take at ATMs of the 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, CPFIS Members who had bought Shares under the CPFIS-OA or SRS investors who had bought Shares using their SRS accounts, acceptances of the Right 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 CPFIS Members are advised to provide their 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) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Application, 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 must be done through the respective finance companies or Depository Agents. 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 and (if applicable) application made directly through CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected.

**An Applicant, including one who has a joint bank account with the 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 or (as the case may be) application liable to be rejected.**

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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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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 of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
  - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, CDP, CPF, the SGX-ST and the Company and any other relevant parties (the “Relevant Parties”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) excess application.**

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, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two (2) statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be, 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 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application through 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 up to the aggregate of the number of the Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be 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 number of excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (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, as the case may be, on the ATM) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied that may be allotted to him.

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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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- (5) In the event that the Applicant accepts the Rights Shares and (if applicable) instructions to apply for excess Rights Shares together with payment therefor both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the aggregate number of provisionally allotted Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of the Participating Bank, and the number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares for which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.
- (6) If applicable, in the event that the Applicant applies for excess Rights Shares both by way of ARE and by Electronic Application through an ATM of the Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as they may, in their absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions to apply for, 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 the ARE, whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares which the Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the excess Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.
- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register or procure the registration of the Rights Shares and (if applicable) the excess Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;

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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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- (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares not be accepted and/or excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
  - (c) return or refund 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 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 the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank) and any other events whatsoever beyond the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank and if, in any such event, the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank do not record or receive the Applicant's Electronic Application by **9:30 p.m. on 16 October 2015**, or such data 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 CPF Board, the Share Registrar and/or the Participating Bank in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made through an ATM of the Participating Bank 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 16 October 2015** or such other time as the Company may, in its 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 thereof. 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 through the ATMs of Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank will be rejected.

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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/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 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 on the same terms.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Rights Issue at **9.30 p.m. on 16 October 2015** (or such other time(s) and/or date(s) as the Company may, in its absolute discretion, decide) and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not any supplementary or replacement document is lodged with 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 CPF Board, the Share Registrar, or the Participating Bank shall be liable for any delay, failure or inaccuracy in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Bank 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 control;
  - (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 and (if applicable) application for Excess Rights Shares;
  - (e) in respect of the Rights Shares and/or Excess 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, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no right under the Contracts (Rights of Third Parties) Act Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in 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 the third parties are conferred rights under such contracts, those rights are not assignable or transferable.



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## APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank 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 an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for excess Rights Shares, as the case may be, by way of ARE and/or ARS and/or by way of Electronic Application through any ATM of the Participating Bank, the provisionally allotted Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within 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 and sent BY ORDINARY POST at his own risk to his mailing address, as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions, if he accepts and (if applicable) applies through CDP; and/or
  - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM. of the Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of the Rights Shares which he can validly accept, the Company and/or CDP are entitled and the Applicant authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of the Rights Shares that the Applicant has validly accepted, whether under the ARE and/or any other application form (including Electronic Application through an ATM) for the Rights Shares;
  - (b) the total number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
  - (c) the total number of Rights Shares represented by the provisional allotment of the Rights Shares which has been disposed of by the Applicant.

The Applicant acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

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## **APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM**

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- (20) The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of the 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 Memorandum and Articles of Association 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.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of 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.

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.

**Board of Directors of  
Heeton Holdings Limited**

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Toh Khai Cheng  
Non-Executive Chairman

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Toh Giap Eng  
Executive Director

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Low Yee Khim  
Executive Director

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Toh Gap Seng  
Non-Executive Director

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Tan Tiong Cheng  
Non-Executive Director

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Chew Chin Hua  
Non-Executive Director

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Chia Kwok Ping  
Non-Executive Director

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