



SOILBUILD CONSTRUCTION GROUP LTD.

(Company Registration No. 201301440Z)
(Incorporated in the Republic of Singapore)

PROPOSED PRO RATA AND NON-RENOUNCEABLE NON-UNDERWRITTEN PREFERENTIAL OFFERING OF UP TO 336,494,250 NEW ORDINARY SHARES IN THE CAPITAL OF SOILBUILD CONSTRUCTION GROUP LTD.

Principal Terms of the Preferential Offering	Description
Issue Price	S\$0.031 for each Rights Share.
Discount	The Issue Price represents (a) a discount of approximately 9.6% to the weighted average price for trades done on the SGX-ST for the full market day of 26 October 2022, being the last full market day on which the Shares were traded on the SGX-ST prior to the date of this Announcement ¹ , of S\$0.0343 per Share; and (b) a discount of approximately 7.1% to the theoretical ex-rights price of S\$0.0334 (being the theoretical market price of each Share assuming the completion of the Preferential Offering, and which is calculated based on the weighted average price for trades done on the SGX-ST for the full market day of 26 October 2022, being the last full market day on which the Shares were traded on the SGX-ST prior to the date of this Announcement, of S\$0.0343 per Share, assuming all the Rights Shares are subscribed for).
Allotment Ratio	Each Entitled Shareholder is entitled to subscribe for two (2) Rights Shares for every five (5) existing Shares standing to the credit of the securities account of the Entitled Depositor or held by the Entitled Scripholder, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.
Use of Proceeds	Please refer to paragraph 2 below.
Purpose of Issue	Please refer to paragraph 2 below.

1. INTRODUCTION

1.1 **Preferential Offering.** The directors (“**Directors**”) of Soilbuild Construction Group Ltd. (the “**Company**”) and together with its subsidiaries, the “**Group**”) wish to announce the following:

¹ This is based on the weighted average price for trades done on 26 October 2022, as there were no trades done on the SGX-ST since 26 October 2022 up to the date of this Announcement.

- (a) a proposed *pro rata* and non-renounceable non-underwritten preferential offering (the “**Preferential Offering**”) of up to 336,494,250 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.031 for each Rights Share, on the basis of two (2) Rights Shares for every five (5) existing ordinary shares in the capital of the Company (“**Shares**”) held by the Entitled Shareholders (as defined herein) as at the time and date to be determined by the Directors for the purposes of determining the entitlements of Entitled Shareholders under the Preferential Offering (the “**Books Closure Date**”), fractional entitlements to be disregarded; and
 - (b) the Preferential Offering is subject to, *inter alia*, the receipt of approval in-principle from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.
- 1.2 **Adjustments to Existing Warrants.** The Preferential Offering will require adjustments to be made to the number and exercise price of the warrants in registered form (“**2019 Warrants**”) allotted and issued by the Company on 29 July 2019 pursuant to the *pro rata* and non-renounceable non-underwritten preferential offering of new Shares with free detachable warrants by the Company (“**2019 Preferential Offering**”) pursuant to the terms and conditions of the 2019 Warrants. Please refer to paragraph 6 below for more information.
- 1.3 **Appointment of Manager.** The Company has appointed United Overseas Bank Limited as the manager for the Preferential Offering (the “**Manager**”). For the avoidance of doubt, the Preferential Offering will not be underwritten.

2. PURPOSE AND USE OF PROCEEDS

- 2.1 **Rationale.** The Preferential Offering has been proposed to strengthen the capital base of the Group, to improve its general working capital position to meet its ongoing financial commitments, including funding of the Group’s newly awarded contracts, and to better position the Group to take advantage of opportunities for business growth.

The COVID-19 pandemic has had unprecedented impact on the global economy and on the Group’s business operations and financial performance. In particular, it has significantly slowed down the progress of the Group’s construction projects due to the measures being adopted to address the outbreak during the years 2020 and 2021. This has impacted the Group’s liquidity and working capital position. On 10 August 2022, the Company announced its unaudited condensed interim consolidated financial statements for the six months ended 30 June 2022, where the Group reported a net loss of approximately S\$3.7 million for the first half of the year ended 30 June 2022, and as at 30 June 2022, the Group was in a negative working capital position.

Despite gradual recovery from the impact of COVID-19, the Group’s operations have continued to be affected by recent geopolitical and economic developments, in particular the Russian-Ukraine war and the significant inflationary pressures in the global economy. Geopolitical tensions have resulted in global supply chain disruptions and increasing raw material prices, and inflationary pressures have resulted in a rise in interest rates and financing costs, both of which continue to pose challenges to the Group’s operating margins.

Further, although the Group has recently been awarded certain construction contracts and contracts relating to the production, supply and delivery of precast concrete components, the projects relating to such contracts are scheduled to be completed sometime during 2023 to 2025.

In view of the foregoing, it will take time for the Group to strengthen and improve its liquidity and replenish its working capital. Accordingly, the Preferential Offering has been proposed to strengthen the Group's financial position and replenish its general working capital. The proceeds from the Preferential Offering will allow the Group to maintain a strong equity base and provide it with the foundation to meet its ongoing financial commitments.

- 2.2 **Use of Proceeds.** Taking into consideration the Irrevocable Undertaking (as defined herein), the gross proceeds from the Preferential Offering are approximately S\$10.4 million. The estimated net proceeds from the Preferential Offering after taking into account the estimated expenses of approximately S\$0.3 million for the Preferential Offering are expected to be approximately S\$10.1 million (the "**Net Proceeds**").

The Company intends to use the entire Net Proceeds for general corporate and working capital purposes, including funding short term contractual obligations for existing construction projects.

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Group. The Company will make periodic announcements on the utilisation of such proceeds, as the funds are materially disbursed and provide a status report on the use of such proceeds in the Company's annual report, in accordance with the rules of the Listing Manual of the SGX-ST. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

3. PREFERENTIAL OFFERING

- 3.1 **Eligibility of Shareholders to Participate in the Preferential Offering.** The Company proposes to provisionally allot Rights Shares to all shareholders of the Company ("**Shareholders**") who are eligible to participate in the Preferential Offering ("**Entitled Shareholders**"), comprising Entitled Depositors and Entitled Scripholders (both as defined herein).

Entitled Shareholders will be provisionally allotted the Rights Shares on the basis of their shareholdings in the Company as at 5.00 p.m. (Singapore time) on the Books Closure Date. Entitled Shareholders are at liberty to accept or decline their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares ("**Excess Rights Shares**") in excess of their provisional allotments under the Preferential Offering.

As the Preferential Offering is made on a non-renounceable basis, Entitled Shareholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (a) provisional allotments of the Rights Shares or (b) eligibility to apply for Excess Rights Shares.

- 3.2 **Entitled Depositors.** Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited (“**CDP**”) and whose securities accounts with CDP are credited with Shares as at the Books Closure Date (“**Depositors**”) will be provisionally allotted their entitlements on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at the Books Closure Date. To be “**Entitled Depositors**”, Depositors must have registered addresses with CDP in Singapore as at the Books Closure Date or must have, at least three (3) days on which the SGX-ST is open for securities trading (“**Market Days**”) prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents.
- 3.3 **Entitled Scripholders.** Duly completed and (where necessary) stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title received up to the Books Closure Date by the Company’s share registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) (the “**Share Registrar**”), will be registered to determine the provisional entitlements of the transferee (a “**Scripholder**”, which term shall include a person who is registered as a holder of Shares and whose share certificates are not deposited with CDP) under the Preferential Offering. To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore as at the Books Closure Date or must have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents.
- 3.4 **Foreign Shareholders.** For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Preferential Offering is only made in Singapore and the Rights Shares will **NOT** be offered to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”).

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE PREFERENTIAL OFFERING SHOULD PROVIDE CDP OR THE SHARE REGISTRAR, AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.

For the avoidance of doubt, even if a Shareholder has provided a Singapore address as aforesaid, the offer of Rights Shares under the Preferential Offering to him will be subject to compliance with applicable securities laws outside Singapore. The Company further reserves the right to reject any acceptances of Rights Shares and any application for Excess Rights Shares under the Preferential Offering where it believes, or has reason to believe, that such acceptances or applications may violate the applicable laws of any jurisdiction.

- 3.5 **Summary of the Terms of the Preferential Offering.** The following is a summary of the principal terms and conditions of the Preferential Offering.

Basis of Provisional Allotment : Each Entitled Shareholder is entitled to subscribe for two (2) Rights Shares for every five (5) existing Shares standing to the credit of the securities account of the Entitled Depositor or held by the

Entitled Scripholder, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.

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

In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of the Company, including Mr Lim Chap Huat, will rank last in priority for rounding of odd lots and allotment of Excess Rights Shares.

Issue Price

: S\$0.031 for each Rights Share. The Rights Shares are payable in full upon acceptance and/or application.

The Issue Price represents (a) a discount of approximately 9.6% to the weighted average price for trades done on the SGX-ST for the full market day of 26 October 2022, being the last full market day on which the Shares were traded on the SGX-ST prior to the date of this Announcement², of S\$0.0343 per Share; and (b) a discount of approximately 7.1% to the theoretical ex-rights price of S\$0.0334 (being the theoretical market price of each Share assuming the completion of the Preferential Offering, and which is calculated based on the weighted average price for trades done on the SGX-ST for the full market day of 26 October 2022, being the last full market day on which the Shares were traded on the SGX-ST prior to the date of this Announcement, of S\$0.0343 per Share, assuming all the Rights Shares are subscribed for).

² This is based on the weighted average price for trades done on 26 October 2022, as there were no trades done on the SGX-ST since 26 October 2022 up to the date of this Announcement.

Status of Rights Shares : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of allotment and issue of the Rights Shares.

Number of Rights Shares to be issued : Based on the number of issued Shares as at the date of this Announcement comprising 841,235,625 Shares (of which none are held in treasury) and assuming that there is no change in the number of issued Shares as at the Books Closure Date, the Company will issue up to 336,494,250 Rights Shares under the Preferential Offering.

As at the date of this Announcement, the Company has outstanding 2019 Warrants which carry the right to subscribe for an aggregate of 168,247,125 new Shares at an exercise price of S\$0.073 per new Share in accordance with the terms and conditions of the 2019 Warrants³. As the 2019 Warrants are out-of-the-money as at the date of this Announcement, it is assumed that none of the 2019 Warrants will be exercised on or before the Books Closure Date and the Company has not, as at the date of this Announcement, received any exercise notice for the exercise of any of the 2019 Warrants.

As at the date of this Announcement, there are no outstanding options under the Soilbuild Construction Employee Share Option Scheme or awards under the Soilbuild Construction Performance Share Plan.

Irrevocable Undertaking : Mr Lim Chap Huat has given an irrevocable undertaking to the Company to subscribe and pay in full for his entitlements under the Preferential Offering and to make excess application(s) to effectively take up any Rights Shares which are not validly subscribed and/or applied for at the close of the Preferential Offering after satisfaction of all valid applications and excess applications (if any) for the Rights Shares.

Non-underwritten : In view of the Irrevocable Undertaking by Mr Lim Chap Huat, the Company has decided to proceed with the Preferential Offering on a non-underwritten

³ The number of new Shares and the exercise price of the 2019 Warrants disclosed does not include any additional Shares that may be issued or, as the case may be, does not take into account any change to the exercise price pursuant to any adjustments that may be made to the 2019 Warrants in accordance with the terms and conditions of the 2019 Warrants as a result of the Preferential Offering.

basis. The Directors are of the reasonable opinion that there is no minimum amount which must be raised from the Preferential Offering.

Listing and Trading

- : An application will be made by the Company to obtain the SGX-ST's approval for the listing of and quotation for the Rights Shares.

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

Trading of Odd Lots

- : Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots are able to trade odd lots of Shares on the SGX-ST's Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share.

Acceptance, excess application and payment procedures

- : The procedures for, and the terms and conditions applicable to, the acceptances of the provisional allotments of the Rights Shares and the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be contained in an instruction booklet to be issued by the Company in connection with the Preferential Offering (the "**Instruction Booklet**") and in the application form for the Rights Shares and Excess Rights Shares ("**ARE**") and the provisional allotment letter ("**PAL**"). The Instruction Booklet and (in the case of Entitled Depositors), the ARE or (in the case of Entitled Scripholders) the PAL will be despatched by the Company to Entitled Shareholders in due course. A further announcement on the despatch will be made by the Company at the appropriate time.

As the Preferential Offering is made on a non-renounceable basis, the provisional allotment of Rights Shares cannot be renounced in favour of a third party or traded on the SGX-ST.

Use of CPF Funds

- : Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") investible savings (the "**CPF Funds**") under the

Central Provident Fund Investment Scheme (“**CPFIS**”) (“**CPF Members**”) can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective investment accounts maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account (“**CPF Investment Accounts**”) to pay for the acceptance of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares.

Such CPF Members who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of the Instruction Booklet.

In the case of insufficient CPF Funds or stock limit, CPF Members could top-up cash into their CPF Investment Accounts before instructing their respective CPF agent banks to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf.

3.6 **Terms and Conditions of the Preferential Offering.** The terms and conditions of the Preferential Offering may be subject to such changes as the Company deems fit.

3.7 **Books Closure Date.** The Books Closure Date will be separately announced in due course after approval in-principle of the SGX-ST has been obtained.

4. IRREVOCABLE UNDERTAKING

4.1 **Irrevocable Undertaking.** Mr Lim Chap Huat has given an irrevocable undertaking to the Company to subscribe and pay in full for his entitlements under the Preferential Offering and to make excess application(s) to effectively take up any Rights Shares which are not validly subscribed and/or applied for at the close of the Preferential Offering after satisfaction of all valid applications and excess applications (if any) for the Rights Shares (the “**Irrevocable Undertaking**”).

4.2 **Conditions.** The Irrevocable Undertaking by Mr Lim Chap Huat as set out above is subject to and conditional upon the approval in-principle of the SGX-ST (such approval not having been withdrawn or revoked on or prior to the closing date of the Preferential Offering) for the listing

of and quotation for the Rights Shares on the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company.

5. SINGAPORE CODE ON TAKE-OVERS AND MERGERS

The Singapore Code on Take-overs and Mergers (the “Code”) regulates the acquisition of ordinary shares of public companies, including the Company. Unless exempted, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% to 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a take-over offer for the remaining Shares in the Company in accordance with the provisions of the Code.

In general, the acquisition of instruments convertible into and options in respect of new shares which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Code but the exercise of any conversion rights or options will be considered an acquisition of voting rights for the purposes of the Code.

As of the date of this Announcement, Mr Lim Chap Huat holds 74.61% of the total number of issued Shares. Accordingly, Mr Lim Chap Huat will not trigger an obligation under the Code to make a general offer for the Shares in the event that none of the other Shareholders subscribe for their entitlements under the Preferential Offering and Mr Lim Chap Huat subscribes for his entitlements under the Preferential Offering and makes excess application(s) to effectively take up any Rights Shares which are not validly subscribed and/or applied for at the close of the Preferential Offering in accordance with his Irrevocable Undertaking.

Pursuant to Rule 820 of the Listing Manual, which applies to a non-underwritten rights issue, the SGX-ST may permit the Company to scale down a Shareholder’s application to subscribe for the Preferential Offering to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of the other Shareholders not taking up their entitlements fully.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Shares pursuant to the Preferential Offering should consult the Securities Industry Council and/or their professional advisers immediately.

6. ADJUSTMENTS TO EXISTING WARRANTS

On 29 July 2019, the Company issued 168,247,125 2019 Warrants pursuant to the 2019 Preferential Offering. The exercise price and/or the number of 2019 Warrants held by each warrant holder will be subject to adjustments under certain circumstances as set out in the instrument by way of a deed poll executed by the Company on 25 July 2019 constituting the 2019 Warrants (the “2019 Instrument”). As at the date of this Announcement, the Company has outstanding 2019 Warrants which carry the right to subscribe for an aggregate of 168,247,125 new Shares at an exercise price of S\$0.073 per new Share in accordance with the terms and conditions of the 2019 Warrants.

Pursuant to the terms and conditions of the 2019 Instrument, the Preferential Offering constitutes an event giving rise to an adjustment to the number and exercise price of the 2019 Warrants. Purely for illustrative purposes, on the basis of 841,235,625 issued Shares (of which none are held in treasury) as at the date of this Announcement and assuming that there is no change in the number of issued Shares as at the Books Closure Date and that the Company will issue 336,494,250 Rights Shares:

- (a) pursuant to Condition 5.2.4 of the 2019 Instrument, the number of 2019 Warrants will be increased by up to 15,512,146 additional 2019 Warrants after applying a ratio of approximately 1.092 to the number of existing 2019 Warrants held by each holder of 2019 Warrants and thereafter rounded downwards to the nearest whole 2019 Warrant; and
- (b) pursuant to Condition 5.2.4 of the 2019 Instrument, the exercise price of the 2019 Warrants will be decreased by S\$0.003, from S\$0.073 to S\$0.070, after applying a ratio of approximately 0.916 to the existing exercise price of the 2019 Warrants and thereafter rounded upwards to the nearest half cent (S\$0.005). As the reduction in exercise price of the 2019 Warrants will be less than half cent (S\$0.005), no adjustment will be made to the exercise price of the 2019 Warrants, but such adjustment will be carried forward and taken into account appropriately in any subsequent adjustment.

The adjustment to the number of the 2019 Warrants will be effective (if appropriate, retroactively) from the commencement of the day next following the closing date for the Preferential Offering.

In accordance with the terms and conditions of the 2019 Warrants, the adjustment to the number of the 2019 Warrants will be determined by the Directors in consultation with the Company's auditors and will be announced by the Company and notified to warrant holders in due course.

7. STATEMENT BY THE BOARD OF DIRECTORS

The Directors are of the opinion that after taking into consideration the Group's internal resources and present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Preferential Offering will strengthen the financial position and capital base of the Group. For the reasons outlined in paragraph 2 above, the Board believes that the Preferential Offering is in the interest of the Group.

8. APPROVALS

- 8.1 **Authority.** The Rights Shares, the additional 2019 Warrants arising from the adjustments to the number of 2019 Warrants in accordance with the 2019 Instrument (the "**Additional 2019 Warrants**") and the additional new Shares to be allotted and issued by the Company upon exercise of the Additional 2019 Warrants (the "**Additional New Shares**") are to be issued pursuant to the share issue mandate approved by Shareholders (the "**General Mandate**") at the annual general meeting of the Company held on 26 April 2022.

As at the approval of the General Mandate on 26 April 2022, the number of Shares in issue (excluding treasury shares) was 841,235,625 Shares (the “**Reference Number of Shares**”).

As at the approval of the General Mandate on 26 April 2022, the Company had outstanding 2019 Warrants which carry the right to subscribe for an aggregate of 168,247,125 new Shares and there were no outstanding options under the Soilbuild Construction Employee Share Option Scheme or awards under the Soilbuild Construction Performance Share Plan. Since 26 April 2022, no new Shares have been issued by the Company pursuant to the exercise of the 2019 Warrants.

From the date of the approval of the General Mandate to the date of this Announcement, no Shares or offers, agreements or options that might or would require Shares to be issued have been issued, made or granted pursuant to the authority granted under the General Mandate.

On the basis of the foregoing, the maximum number of new Shares, additional convertible securities and new Shares arising from the conversion of such additional convertible securities that may be issued under the General Mandate on a *pro rata* basis to Shareholders is 420,617,812 new Shares, which is 50.0% of the Reference Number of Shares. Of this, the maximum number of new Shares, additional convertible securities and new Shares arising from the conversion of such additional convertible securities that may be issued under the General Mandate on a *non pro rata* basis to Shareholders is 168,247,125 new Shares, which is 20.0% of the Reference Number of Shares.

As the maximum number of Rights Shares, the Additional 2019 Warrants and Additional New Shares (being 336,494,250 Rights Shares, 15,512,146 Additional 2019 Warrants and 15,512,146 Additional New Shares), the aggregate of which is less than the maximum number of new Shares that may be issued under the General Mandate, the issue of the Rights Shares, Additional 2019 Warrants and Additional New Shares would be within the limits of the General Mandate.

- 8.2 **SGX-ST Approval.** The Preferential Offering, the issue of the Additional 2019 Warrants and the issue of the Additional New Shares are subject to the approval in-principle of the SGX-ST for the listing of and quotation for the Rights Shares, as well as the Additional 2019 Warrants and the Additional New Shares, on the Main Board of the SGX-ST. An application will be made by the Company to obtain the SGX-ST’s approval for the listing of and quotation for the Rights Shares as well as the Additional 2019 Warrants and the Additional New Shares. An appropriate announcement (the “**AIP Announcement**”) will be made upon the receipt of such in-principle approval from the SGX-ST.
- 8.3 **No Prospectus or Offer Information Statement.** As the Preferential Offering will be made pursuant to the exemptions invoked under Section 273(1)(ce) of the Securities and Futures Act 2001 of Singapore (the “**SFA**”), no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore (“**MAS**”).

9. GENERAL

- 9.1 **Indicative Timetable.** The indicative timetable for the Preferential Offering will be set out in the AIP Announcement.

9.2 **Notification under Section 309B of the SFA.** The Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

9.3 **Previous Equity Fund Raising.** The Company has not undertaken any equity fund raising in the past 12 months.

10. DIRECTORS' RESPONSIBILITY STATEMENT

10.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement, and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Preferential Offering and the Group which are relevant to the Preferential Offering, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement 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 Announcement in its proper form and context.

BY ORDER OF THE BOARD SOILBUILD CONSTRUCTION GROUP LTD.

Lim Chap Huat
Executive Chairman

30 November 2022

Important Notice

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Rights Shares.

The value of the Rights Shares and/or Shares and the income derived from them, if any, may fall as well as rise. An investment in the Rights Shares and/or Shares is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Company to redeem or purchase their Rights Shares and/or Shares for so long as the Rights Shares and/or Shares are listed on the SGX-ST. It is intended that the Shareholders may only deal in their Rights Shares and/or Shares (where applicable) through trading on the SGX-ST. Listing of the Rights Shares and/or Shares on the SGX-ST does not guarantee a liquid market for the Rights Shares and/or Shares.

The past performance of the Company is not necessarily indicative of the future performance of the Company.