

CIRCULAR DATED 28 MAY 2018

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of Asia-Pacific Strategic Investments Limited (the "Company"), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Rights Shares (as defined herein), the Warrants (as defined herein), the Adjustment Warrants (as defined herein), the Warrant Shares (as defined herein) and the Adjustment Warrant Shares (as defined herein). The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST. Any listing and quotation notice granted by the SGX-ST for the dealing in, listing of and quotation for the the Rights Shares, the Warrants, the Adjustment Warrants, the Warrant Shares, the Adjustment Warrant Shares is not to be taken as an indication of the merits of the Rights cum Warrants Issue (as defined herein), the Rights Shares, the Warrants, the Adjustment Warrants, the Warrant Shares, the Adjustment Warrant Shares, the Company, its subsidiaries and their securities.

The Rights Shares, the Warrants and the Adjustment Warrants will be admitted to Catalist and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, all certificates relating thereto having been issued and the notification letters from The Central Depository (Pte) Limited having been despatched.

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

This Circular shall not constitute an offer to sell or a solicitation of an offer to buy shares nor shall there be any sale of any shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Circular is issued to Shareholders solely for the purpose of providing Shareholders with the information pertaining to, and seeking Shareholders' approval for the Rights cum Warrants Issue at the EGM (as defined herein). Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Circular and/or the transfer of the Rights, the Warrants, the Adjustment Warrants, the Rights Shares, the Warrant Shares and the Adjustment Warrant Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this Circular. SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. The contact person for the Sponsor is Mr Ng Joo Khin, Tel: 6389 3000 or email: jookhin.ng@morganlewis.com.**



## **ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**

(Company Registration No.: 200609901H)  
(Incorporated in the Republic of Singapore)

### **CIRCULAR TO SHAREHOLDERS**

in relation to the

- (A) THE PROPOSED CHANGE OF NAME OF THE COMPANY TO CHINA REAL ESTATE GRP LTD.; AND**
- (B) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 47,928,572,362 NEW ORDINARY SHARES OF THE COMPANY WITH UP TO 47,928,572,362 FREE DETACHABLE WARRANTS, ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF THE COMPANY HELD AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED**

#### **IMPORTANT DATES AND TIMES:**

Last date and time for lodgment of Proxy Form : 19 June 2018 at 11.00 a.m.

Date and time of Extraordinary General Meeting : 21 June 2018 at 11.00 a.m.

Place of Extraordinary General Meeting : Antica I, Level 2, Orchard Parade Hotel,  
1 Tanglin Road, Singapore 247905

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## DEFINITIONS

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The following definitions apply throughout in this Circular except where the context otherwise requires:

- “2013 Deed Poll”** : The deed poll dated 14 June 2013 entered into by the Company as amended and supplemented by the supplemental deed poll dated 10 March 2014
- “2013 Rights cum Warrants Issue”** : The Company’s renounceable rights cum warrants issue pursuant to which, *inter alia*, 34,670,447 free detachable warrants were offered through an offer information statement dated 24 June 2013
- “2013 Warrantholders”** : Registered holders of the 2013 Warrants, except where the registered holder is CDP, the term **“2013 Warrantholders”** shall, in relation to such 2013 Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such 2013 Warrants
- “2013 Warrants”** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2013 Warrants as set out in the 2013 Deed Poll
- “2013 Warrants Adjustments”**: The adjustments to the number as well as the exercise price of the 2013 Warrants as a result of the Rights cum Warrants Issue and pursuant to the 2013 Deed Poll
- “2013 Warrants Exercise Price”** : The price payable for each Share upon the exercise of a 2013 Warrant which is S\$0.01, subject to certain adjustments in accordance with the terms and conditions of the 2013 Warrants as set out in the 2013 Deed Poll
- “2014 Deed Poll”** : The deed poll dated 3 April 2014 entered into by the Company
- “2014 Rights cum Warrants Issue”** : The Company’s renounceable rights cum warrants issue pursuant to which, *inter alia*, 715,210,185 free detachable warrants were offered through an offer information statement dated 10 April 2014
- “2014 Warrantholders”** : Registered holders of the 2014 Warrants, except where the registered holder is CDP, the term **“2014 Warrantholders”** shall, in relation to such 2014 Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such 2014 Warrants
- “2014 Warrants”** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2014 Warrants as set out in the 2014 Deed Poll
- “2014 Warrants Adjustments”**: The adjustments to the number as well as the exercise price of the 2014 Warrants as a result of the Rights cum Warrants Issue and pursuant to the 2014 Deed Poll
- “2014 Warrants Exercise Price”** : The price payable for each Share upon the exercise of a 2014 Warrant which is S\$0.01, subject to certain adjustments in accordance with the terms and conditions of the 2014 Warrants as set out in the 2014 Deed Poll
- “2015 Deed Poll”** : The deed poll dated 20 October 2015 entered into by the Company

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## DEFINITIONS

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- “2015 Rights cum Warrants Issue”** : The Company’s renounceable rights cum warrants issue pursuant to which, *inter alia*, 3,373,458,070 free detachable warrants were offered through an offer information statement dated 28 October 2015
- “2015 Warrantholders”** : Registered holders of the 2015 Warrants, except where the registered holder is CDP, the term **“2015 Warrantholders”** shall, in relation to such 2015 Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such 2015 Warrants
- “2015 Warrants”** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2015 Warrants as set out in the 2015 Deed Poll
- “2015 Warrants Adjustments”**: The adjustments to the number as well as the exercise price of the 2015 Warrants as a result of the Rights cum Warrants Issue and pursuant to the 2015 Deed Poll
- “2015 Warrants Exercise Price”** : The price payable for each Share upon the exercise of a 2015 Warrant which is S\$0.004, subject to certain adjustments in accordance with the terms and conditions of the 2015 Warrants as set out in the 2015 Deed Poll
- “2018 Deed Poll”** : The deed poll dated 29 December 2017 entered into by the Company
- “2018 Rights cum Warrants Issue”** : The Company’s renounceable rights cum warrants issue pursuant to which, *inter alia*, 14,537,002,596 free detachable warrants were offered through an offer information statement dated 5 January 2018
- “2018 Warrantholders”** : Registered holders of the 2018 Warrants, except where the registered holder is CDP, the term **“2018 Warrantholders”** shall, in relation to such 2018 Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such 2018 Warrants
- “2018 Warrants”** : The warrants in registered form allotted and issued by the Company pursuant to the terms and conditions of the 2018 Warrants as set out in the 2018 Deed Poll
- “2018 Warrants Adjustments”**: The adjustments to the number as well as the exercise price of the 2018 Warrants as a result of the Rights cum Warrants Issue and pursuant to the 2018 Deed Poll
- “2018 Warrants Exercise Price”** : The price payable for each Share upon the exercise of a 2018 Warrant which is S\$0.003, subject to certain adjustments in accordance with the terms and conditions of the 2018 Warrants as set out in the 2018 Deed Poll
- “ACRA”** : Accounting and Corporate Regulatory Authority of Singapore
- “Act” or “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time

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## DEFINITIONS

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- “Adjustment 2013 Warrant Share(s)”** : Up to 4,022,275 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the 2013 Adjustment Warrants, subject to and in accordance with the terms and conditions of the 2013 Adjustment Warrants set out in the 2013 Deed Poll
- “Adjustment 2013 Warrants”** : Up to 4,022,275 new warrants to be issued pursuant to the Adjustment 2013 Warrants Issue
- “Adjustment 2013 Warrants Issue”** : The issue of up to 4,022,275 new warrants pursuant to the adjustment of existing 2013 Warrants constituted under the 2013 Deed Poll, every one (1) Adjustment 2013 Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at the adjusted 2013 Warrants Exercise Price
- “Adjustment 2014 Warrant Share(s)”** : Up to 294,561,644 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the 2014 Adjustment Warrants, subject to and in accordance with the terms and conditions of the 2014 Adjustment Warrants set out in the 2014 Deed Poll
- “Adjustment 2014 Warrants”** : Up to 294,561,644 new warrants to be issued pursuant to the Adjustment 2014 Warrants Issue
- “Adjustment 2014 Warrants Issue”** : The issue of up to 294,561,644 new warrants pursuant to the adjustment of existing 2014 Warrants constituted under the 2014 Deed Poll, every one (1) Adjustment 2014 Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at the adjusted 2014 Warrants Exercise Price
- “Adjustment 2015 Warrant Share(s)”** : Up to 987,356,582 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the 2015 Adjustment Warrants, subject to and in accordance with the terms and conditions of the 2015 Adjustment Warrants set out in the 2015 Deed Poll
- “Adjustment 2015 Warrants”** : Up to 987,356,582 new warrants to be issued pursuant to the Adjustment 2015 Warrants Issue
- “Adjustment 2015 Warrants Issue”** : The issue of up to 987,356,582 new warrants pursuant to the adjustment of existing 2015 Warrants constituted under the 2015 Deed Poll, every one (1) Adjustment 2015 Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at the adjusted 2015 Warrants Exercise Price
- “Adjustment 2018 Warrant Share(s)”** : Up to 2,224,262,423 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the 2018 Adjustment Warrants, subject to and in accordance with the terms and conditions of the 2018 Adjustment Warrants set out in the 2018 Deed Poll
- “Adjustment 2018 Warrants”** : Up to 2,224,262,423 new warrants to be issued pursuant to the Adjustment 2018 Warrants Issue

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## DEFINITIONS

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- “Adjustment 2018 Warrants Issue”** : The issue of up to 2,224,262,423 new warrants pursuant to the adjustment of existing 2018 Warrants constituted under the 2018 Deed Poll, every one (1) Adjustment 2018 Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at the adjusted 2018 Warrants Exercise Price
- “Adjustment Warrant Share(s)”** : Collectively, the Adjustment 2013 Warrant Shares, Adjustment 2014 Warrant Shares, Adjustment 2015 Warrant Shares and Adjustment 2018 Warrant Shares
- “Adjustment Warrants”** : Collectively, the Adjustment 2013 Warrants, the Adjustment 2014 Warrants, the Adjustment 2015 Warrants and the Adjustment 2018 Warrants, every one (1) Adjustment Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company
- “Adjustment Warrants Issue”** : The issue of up to 3,510,202,924 new warrants to be issued pursuant to the adjustment of the existing 2013 Warrants, 2014 Warrants, 2015 Warrants and 2018 Warrants constituted under the 2013 Deed Poll, 2014 Deed Poll, 2015 Deed Poll and 2018 Deed Poll respectively
- “Announcement”** : The announcement released by the Company on 4 May 2018 in relation to the Rights cum Warrants Issue
- “ARE”** : The application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue
- “ARS”** : The application and acceptance form for Rights Shares with Warrants to be issued to purchasers of the provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue traded on Catalist through the book-entry (scripless) settlement system
- “Associate”** : (a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more
- (b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more

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## DEFINITIONS

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<b>“ATM”</b>	:	Automated teller machine of a Participating Bank
<b>“Authority”</b>	:	The Monetary Authority of Singapore
<b>“Board of Directors” or “Board”</b>	:	The board of Directors of the Company for the time being
<b>“Books Closure Date”</b>	:	The time and date, to be determined by the Directors, at and on which the Share Transfer Books and Register of Members of the Company will be closed to determine the provisional allotments of Rights of the Entitled Shareholders under the Rights cum Warrants Issue
<b>“Business Day”</b>	:	A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
<b>“Catalist”</b>	:	The sponsor-supervised listing platform of the SGX-ST
<b>“Catalist Rules”</b>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended or modified from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Change of Name”</b>	:	The proposed change of name by the Company from “Asia-Pacific Strategic Investments Limited” to “China Real Estate Grp Ltd.”, further details of which are set out in Section 2 of this Circular
<b>“Circular”</b>	:	This circular to Shareholders dated 28 May 2018
<b>“Closing Date”</b>	:	The time and date to be determined by the Directors, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of, the Rights Shares with Warrants under the Rights cum Warrants Issue
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
<b>“Company”</b>	:	Asia-Pacific Strategic Investments Limited
<b>“Constitution”</b>	:	The constitution of the Company, as may be amended, modified or supplemented from time to time
<b>“Controlling Interest”</b>	:	The interest of a Controlling Shareholder
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds, directly or indirectly, 15.0% or more of the total number of voting Shares (excluding treasury shares) in the Company; or  (b) in fact exercises control over the Company
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Approved Bank”</b>	:	Any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations

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## DEFINITIONS

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- “CPF Board”** : The board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as may be amended, modified or supplemented from time to time
- “CPF Investment Account”** : An account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn
- “CPFIS”** : CPF Investment Scheme
- “Deed Poll”** : The deed poll to be executed by the Company constituting the Warrants and containing, *inter alia*, provisions for the protection of the rights and interests of the Warrantholders
- “Director”** : A director of the Company for the time being
- “EGM”** : The extraordinary general meeting of the Company, notice of which is set out on pages 56 to 58 of this Circular
- “Entitled Depositors”** : 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 had, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
- “Entitled Scripholders”** : Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names and (iii) registered addresses are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Company with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”** : Entitled Depositors and Entitled Scripholders
- “Entitled Warrantholders”** : Warrantholders with the Relevant Warrants standing to the credit of their Securities Accounts/in the Company’s Register of Warrantholders and whose registered addresses with CDP are in Singapore as at the Closing Date
- “EPS”** : Earnings per Share
- “Excess Applications”** : Excess applications by Entitled Shareholders of the Rights Shares with Warrants in excess of their provisional allotments of Rights Shares with Warrants
- “Exercise Period”** : The period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to closure of the Register of Members of the Company or on the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warrantholders may be closed), subject to the terms and conditions of the Warrants to be set out in the Deed Poll. The right to exercise the Warrants will not be extended beyond the Exercise Period



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## DEFINITIONS

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- “Exercise Price”** : The price payable in respect of each Warrant Share upon the exercise of a Warrant shall be S\$0.002, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
- “Existing Share Capital”** : The existing issued and paid-up share capital of the Company of 11,677,961,622 Shares (excluding treasury shares) as at the Latest Practicable Date
- “Existing Warrants”** : The 14,078,669 outstanding, unexercised 2013 Warrants, the 1,031,017,308 outstanding, unexercised 2014 Warrants, the 3,455,920,834 outstanding, unexercised 2015 Warrants and the 7,785,307,748 outstanding, unexercised 2018 Warrants in registered form allotted and issued by the Company as at the Latest Practicable Date pursuant to the terms and conditions of the existing warrants set out in the 2013 Deed Poll, the 2014 Deed Poll, the 2015 Deed Poll and the 2018 Deed Poll
- “Foreign Purchasers”** : Persons purchasing the Rights through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
- “Foreign Shareholders”** : Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to the Company, the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
- “FY”** : Financial year ended 30 June
- “Group”** : The Company and its subsidiaries
- “Issue Price”** : The issue price of the Rights Shares, being S\$0.002 for each Rights Share
- “Latest Practicable Date”** : 21 May 2018, being the latest practicable date prior to the printing of this Circular
- “Market Day”** : A day on which the SGX-ST is open for trading in securities
- “Maximum Subscription Scenario”** : Based on the Existing Share Capital and assuming that (i) all of the Existing Warrants are exercised and new Shares are issued pursuant thereto on or prior to the Books Closure Date; and (ii) all of the Entitled Shareholders subscribe and pay for their *pro rata* entitlements of Rights Shares with Warrants
- “Notice of EGM”** : The notice of EGM set out on pages 56 to 58 of this Circular
- “NTA”** : Net tangible assets
- “Offer Information Statement”** : The offer information statement referred to in Section 277 of the Securities and Futures Act and, together with the PAL, the ARE, the ARS and all accompanying documents including any supplementary or replacement document, to be issued by the Company in connection with the Rights cum Warrants Issue

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## DEFINITIONS

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<b>“Ordinary Resolution 2”</b>	:	The ordinary resolution to approve the Rights cum Warrants Issue
<b>“PAL”</b>	:	The provisional allotment letter to be issued to Entitled Scripholders, setting out the provisional allotment of Rights Shares with Warrants under the Rights cum Warrants Issue
<b>“Participating Banks”</b>	:	The banks that will be participating in the Rights cum Warrants Issue by making available their ATMs to Entitled Depositors for acceptances of the Rights Shares with Warrants and/or Excess Applications
<b>“Proposed Resolutions”</b>	:	Collectively, Special Resolution 1 and Ordinary Resolution 2.
<b>“Proxy Form”</b>	:	The proxy form in respect of the EGM enclosed in this Circular
<b>“Purchaser”</b>	:	A purchaser of the Rights
<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 CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<b>“Register of 2013 Warranholders”</b>	:	Register of 2013 Warranholders of the Company
<b>“Register of 2014 Warranholders”</b>	:	Register of 2014 Warranholders of the Company
<b>“Register of 2015 Warranholders”</b>	:	Register of 2015 Warranholders of the Company
<b>“Register of 2018 Warranholders”</b>	:	Register of 2018 Warranholders of the Company
<b>“Register of Members”</b>	:	Register of members of the Company
<b>“Relevant Deed Poll”</b>	:	The 2013 Deed Poll, the 2014 Deed Poll, the 2015 Deed Poll and the 2018 Deed Poll, as the case may be
<b>“Relevant Warranholders”</b>	:	The 2013 Warranholders, the 2014 Warranholders, the 2015 Warranholders and the 2018 Warranholders, as the case may be
<b>“Relevant Warrants”</b>	:	The 2013 Warrants, the 2014 Warrants, the 2015 Warrants and the 2018 Warrants, as the case may be
<b>“Relevant Warrants Exercise Price”</b>	:	The 2013 Warrants Exercise Price, the 2014 Warrants Exercise Price, the 2015 Warrants Exercise Price and the 2018 Warrants Exercise Price, as the case may be
<b>“Rights”</b>	:	Rights to subscribe for two (2) Rights Shares with Warrants for every one (1) Share held by Shareholders as at the Books Closure Date

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## DEFINITIONS

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<b>“Rights cum Warrants Issue”</b>	:	The renounceable non-underwritten rights issue by the Company of up to 47,928,572,362 Rights Shares at an issue price of S\$0.002 for each Rights Share with up to 47,928,572,362 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.002 for each Warrant Share, on the basis of two (2) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given with one (1) Rights Share subscribed, fractional entitlements to be disregarded
<b>“Rights Share(s)”</b>	:	Up to 47,928,572,362 new Shares to be allotted and issued by the Company pursuant to the Rights cum Warrants Issue
<b>“Rights Trading Period”</b>	:	The trading period of the Rights on a “nil-paid” basis
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
<b>“Securities and Futures Act” or “SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Registrar”, “Warrant Agent” or “Warrant Registrar”</b>	:	B.A.C.S. Private Limited
<b>“Share Transfer Books”</b>	:	The share transfer books of the Company
<b>“Shareholders”</b>	:	The registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Special Resolution 1”</b>	:	The special resolution to approve the Change of Name
<b>“Sponsor”</b>	:	Stamford Corporate Services Pte. Ltd.
<b>“Subsidiaries”</b>	:	Has the meaning ascribed to it in Section 5 of the Companies Act and <b>“Subsidiary”</b> shall be construed accordingly
<b>“Substantial Shareholder”</b>	:	A person who has an interest in voting shares of the Company the total votes attached to which is not less than 5.0% of the total votes attached to all the voting shares in the Company
<b>“VWAP”</b>	:	Volume weighted average price
<b>“Warrantholders”</b>	:	Registered holders of the Warrants, except where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such Warrants

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## DEFINITIONS

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- “Warrant(s)”** : Up to 47,928,572,362 free detachable warrants in registered form, to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights cum Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the warrants to be set out in the Deed Poll (any such additional warrants to rank *pari passu* with the warrants to be issued together with the Rights Shares and for all purposes to form part of the same series of warrants constituted by the Deed Poll), subject to the terms and conditions to be set out in the Deed Poll, each warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Exercise Price
- “Warrant Share(s)”** : Up to 47,928,572,362 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the Warrants, subject to and in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
- “Warrant Agency Agreement”**: The warrant agency agreement to be executed by the Company, the Warrant Agent and the Warrant Registrar, pursuant to which the Warrant Agent is appointed by the Company to act in connection with the Warrants upon the terms and conditions set out therein, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment

### **Currencies, Units and Others**

- “%” or “percent”** : Percentage or per centum
- “RM” or “RM cents”** : Malaysian Ringgit and cents, respectively, being the lawful currency of Malaysia
- “S\$” or “cents”** : Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore

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

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Registration No.: 200609901H)  
(Incorporated in the Republic of Singapore)

#### Board of Directors

Dato' Dr Choo Yeow Ming (*Chairman and Chief Executive Officer*)  
Lee Keng Mun (*Executive Director and Chief Operating Officer*)  
Hano Maeloa (*Non-Executive Director*)  
Dr. Lam Lee G. (*Lead Independent Director*)  
Chew Soo Lin (*Independent Director*)  
Yap Siean Sin (*Independent Director*)  
Zhang Wenqing (*Non-Executive Director*)  
Lum Moy Foong (*Non-Executive Director*)  
Lien Kait Long (*Independent Director*)

#### Registered Office

8 Robinson Road  
#03-00  
ASO Building  
Singapore 048544

28 May 2018

To: The Shareholders of the Company

Dear Sir/Madam,

- (A) **THE PROPOSED CHANGE OF NAME OF THE COMPANY TO CHINA REAL ESTATE GRP LTD.; AND**
- (B) **THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 47,928,572,362 NEW ORDINARY SHARES OF THE COMPANY WITH UP TO 47,928,572,362 FREE DETACHABLE WARRANTS, ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF THE COMPANY HELD AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED**

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## 1. INTRODUCTION

### 1.1 Change of Name

On 26 April 2018, the Company announced that it is proposing to change the name of the Company from "Asia-Pacific Strategic Investments Limited" to "China Real Estate Grp Ltd." (the "**Change of Name**"). The Change of Name is subject to approval of the Shareholders and will be tabled as a special resolution at the EGM to be convened

### 1.2 Rights cum Warrants Issue

On 4 May 2018, the Company announced that it is undertaking a renounceable rights issue (the "**Rights cum Warrants Issue**") of up to 47,928,572,362 new ordinary shares of the Company (the "**Rights Shares**") with up to 47,928,572,362 free detachable warrants (the "**Warrants**"), on the basis of two (2) Rights Shares for every one (1) existing ordinary share of the Company (the "**Shares**") held by the Shareholders as at a books closure date to be determined (the "**Books Closure Date**") and one (1) Warrant for every one (1) Rights Share subscribed. The Rights cum Warrants Issue is, subject to, *inter alia*:

- (a) the approval of the Shareholders for the Rights cum Warrants Issue being obtained at the EGM to be convened;
- (b) the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants, the Warrant Shares, the Adjustment Warrants and the Adjustment Warrant Shares on the Catalist of the SGX-ST (and such approval not having

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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been withdrawn or revoked on or prior to the completion of the Rights cum Warrants Issue) and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and

- (c) the lodgement of the Offer Information Statement and all other accompanying documents (if applicable) in connection with the Rights cum Warrants Issue with the SGX-ST (acting as agent of the Authority).

**An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares pursuant to the Rights cum Warrants Issue. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.**

**Pursuant to the Rules of Catalist, the SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on Catalist due to an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, Warrant holders will not be able to trade their Warrants on Catalist but the Company shall nevertheless proceed with and complete the Rights cum Warrants Issue in such event.**

### 1.3 Adjustment Warrants Issue

As at the Latest Practicable Date, the Company has 12,286,324,559 outstanding, unexercised warrants which consist of:

- (a) 14,078,669 outstanding, unexercised 2013 Warrants;
- (b) 1,031,017,308 outstanding, unexercised 2014 Warrants;
- (c) 3,455,920,834 outstanding, unexercised 2015 Warrants; and
- (d) 7,785,307,748 outstanding, unexercised 2018 Warrants,

in registered form allotted and issued by the Company pursuant to the terms and conditions of the existing warrants set out in the 2013 Deed Poll, the 2014 Deed Poll the 2015 Deed Poll and the 2018 Deed Poll (the “Existing Warrants”).

As a result of the Rights cum Warrants Issue and pursuant to the 2013 Deed Poll, the 2014 Deed Poll, the 2015 Deed Poll and the 2018 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the Existing Warrants. Under the terms of the 2013 Deed Poll, the 2014 Deed Poll, the 2015 Deed Poll and the 2018 Deed Poll, such adjustments will be effective from the commencement of the Market Day next following the Closing Date.

The issue of the additional warrants as a result of the Rights cum Warrants Issue and pursuant to the 2013 Deed Poll and the 2014 Deed Poll, as well as the issuance of additional Shares upon the exercise of such additional warrants, will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 31 March 2014.

The issue of the additional warrants as a result of the Rights cum Warrants Issue and pursuant to the 2015 Deed Poll, as well as the issuance of additional Shares upon the exercise of such additional warrants, will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 15 October 2015.

The issue of the additional warrants as a result of the Rights cum Warrants Issue and pursuant to the 2018 Deed Poll, as well as the issuance of additional Shares upon the exercise of such additional warrants, will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 6 December 2017.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Adjustment Warrants and the Adjustment Warrant Shares pursuant to the Adjustment Warrants Issue. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.

### 1.4 Extraordinary General Meeting

The Board proposes to seek the approval of the Shareholders in respect of:

- (a) the special resolution to approve the Change of Name (“**Special Resolution 1**”); and
- (b) the ordinary resolution to approve the Rights cum Warrants Issue (“**Ordinary Resolution 2**”).

### 1.5 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the above and to seek Shareholders’ approval for the resolutions set out in the Notice of EGM.

**The Sponsor and the SGX-ST assume no responsibility for the correctness of the statements made or reports contained, or opinions expressed, in this Circular.**

## 2. THE CHANGE OF NAME

### 2.1 Background and Rationale

The Directors are proposing to change the Company’s name from “Asia-Pacific Strategic Investment Limited” to “China Real Estate Grp Ltd.”. The Board is of the view that the Change of Name will better reflect the current business activities of the Group which are that of property development and the holding of property related assets as an investment, and real estate agency.

### 2.2 Approvals

An application was made to ACRA to reserve the name “China Real Estate Grp Ltd.”. The application was approved on 23 April 2018 and the name has been reserved until 21 August 2018.

Upon receipt of Shareholders’ approval for the Change of Name, the Company shall adopt “China Real Estate Grp Ltd.” as its new name with effect from the registration of such name with ACRA, and the name “China Real Estate Grp Ltd.” shall replace all references to “Asia-Pacific Strategic Investments Limited” wherever it appears in the Company’s Constitution. Apart from the substitution of the Company’s name as aforesaid, there will be no other amendments made to the Company’s Constitution.

The Company will make an announcement once the name “China Real Estate Grp Ltd.” takes effect.

### 2.3 No Replacement of Share Certificates Required

Shareholders should note that notwithstanding the Change of Name, the Company will not recall existing share certificates in respect of the Company’s shares, which will continue to be *prima facie* evidence of legal title. No further action is required on the part of Shareholders in respect of their existing share certificates.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 3. THE RIGHTS CUM WARRANTS ISSUE

#### 3.1 Basis of the Rights cum Warrants Issue

The Company is offering to Entitled Shareholders up to 47,928,572,362 Rights Shares at an issue price of S\$0.002 per Rights Share (the “**Issue Price**”) and up to 47,928,572,362 Warrants with each Warrant carrying the right to subscribe for one (1) Warrant Share at the exercise price of S\$0.002 per Warrant Share (the “**Exercise Price**”), on the basis of two (2) Rights Shares for every one (1) existing Share held by Shareholders as at the Books Closure Date and one (1) Warrant for every one (1) Rights Share subscribed.

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

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

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

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

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

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

#### 3.2 Size of Rights cum Warrants Issue

As at the Latest Practicable Date, the issued share capital of the Company (excluding treasury shares) comprises 11,677,961,622 Shares (the “**Existing Share Capital**”), and there is an aggregate of 12,286,324,559 Existing Warrants, all of which are exercisable. In the event all of the Existing Warrants are exercised, the issued share capital of the Company (excluding treasury shares) will increase to 23,964,286,181 Shares.



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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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Based on the Existing Share Capital and assuming that (i) all of the Relevant Warrants are exercised and new Shares are issued pursuant thereto on or prior to the Books Closure Date and (ii) all of the Entitled Shareholders subscribe and pay for their *pro rata* entitlements of Rights Shares (the “**Maximum Subscription Scenario**”), the Company will issue 47,928,572,362 Rights Shares and 47,928,572,362 Warrants under the Rights cum Warrants Issue. Under the Maximum Subscription Scenario, no Adjustment Warrants will be issued pursuant to the Adjustment Warrants Issue.

### 3.3 Principal Terms of the Rights cum Warrants Issue

**Number of Rights Shares** : Up to 47,928,572,362 Rights Shares (with up to 47,928,572,362 free detachable Warrants)

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

**Issue Price** : S\$0.002 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price of S\$0.002 per Rights Share and Exercise Price of S\$0.002 per Warrant Share represent a discount of approximately 33.3% to the last traded price of S\$0.003 for Shares traded on the SGX-ST on 27 April 2018, being the full market day immediately preceding the Announcement on which Shares were traded on the Catalist of the SGX-ST.

**Eligibility to participate** : Please refer to Section 3.5 entitled “Eligibility of Shareholders to Participate in the Rights Cum Warrants Issue” of this Circular.

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

**Listing of the Rights Shares** : An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Rights Shares. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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

- Trading of the Rights Shares** : Upon the listing and quotation of the Rights Shares on the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise of 100 Shares.
- Scaling Down** : Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Substantial Shareholders (if such Substantial Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement) to avoid placing the relevant Substantial Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.
- Use of CPF Funds** : Persons who have previously bought their Shares under the CPFIS – Ordinary Account (“**CPFIS Shareholders**”), can only use, subject to applicable CPF rules and regulations, their CPF account savings (“**CPF Funds**”) for the payment of the Issue Price to subscribe for the Rights Shares and (if applicable) apply for excess Rights Shares. CPFIS Shareholders who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved banks, where such CPFIS Shareholders hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with the Offer Information Statement. In the case of insufficient CPF funds or stock limit, CPFIS Shareholders could top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares. Any application made directly to the CDP or through ATMs will be rejected. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.
- Governing Law** : Laws of the Republic of Singapore.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 3.4 Principal Terms of the Warrants

- Number of Warrants** : Up to 47,928,572,362 Warrants to be issued free together with the Rights Shares.
- Basis of Allotment** : One (1) free detachable Warrant with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.
- Detachability and Trading** : The Warrants will be detached from the Rights Shares on issue and will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system upon the listing and quotation of the Warrants on the SGX-ST, subject to, *inter alia*, an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.
- Listing of the Warrants and the Warrant Shares** : An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Warrants and the Warrant Shares pursuant to the Rights cum Warrants Issue. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.
- However, it should be noted that the Warrants may not be listed and quoted on the SGX-ST if there is an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warranholders will not be able to trade their Warrants on the SGX-ST.**
- Form and subscription rights** : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warranholder, at any time during the Exercise Period, to subscribe for one (1) Warrant Share at the Exercise Price in force on the relevant date of exercise of the Warrants.
- Exercise Price** : S\$0.002 for each Warrant Share on the exercise of a Warrant.
- Exercise Period** : The Warrants may be exercised at any time from and including the date of the issue of the Warrants up to 5.00 p.m. on the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members and/or Register of Warranholders of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day (the “**Expiry Date**”), as the case may be, but excluding such period(s) during which the Register of Warranholders may be closed pursuant to the terms and conditions of the Warrants as set out in the Deed Poll. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

Notice of expiry of the Warrants shall be given to all Warranholders at least one (1) month before the Expiry Date.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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**Mode of payment for exercise of Warrants** : Warrantheolders who exercise their Warrants must pay the Exercise Price by way of (i) remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised; or (ii) by debiting the relevant Warrantheolder's CPF Investment Account with the specified CPF Approved Bank, for the credit of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised.

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

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

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

**Status of Warrant Shares** : The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save that they will not be entitled to participate in any dividends, rights, allotments or other distributions, that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.

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

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### **Transfer and Transmission**

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

- (i) Lodgement of Certificates and Transfer Forms – a Warrantheolder whose Warrants are registered in his own name (the “**Transferor**”) shall lodge, during normal business hours on any Business Day so as to be received at the specified office of the Warrant Agent, the Transferor’s warrant certificate(s) together with an instrument of transfer (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll provided that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to it;
- (ii) Deceased Warrantheolder – the executors and administrators of a deceased Warrantheolder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders whose Warrants are registered otherwise than in the name of CDP) or if the Warrantheolder is CDP, of a deceased Depositor, and, in the case of one or more of several such joint Warrantheolders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warrantheolder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and the payment of the fees and expenses set out in the Deed Poll, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased holder could have made;
- (iii) Warrants registered in the name of CDP – where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry; and
- (iv) Effective Date of Transfer – A Transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Register of Warrantheolders by the Warrant Agent or the Depository Register by CDP, as the case may be.

### **Winding-up**

: Where there is a members’ voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantheolders by way of an extraordinary resolution), the Warrantheolders shall be entitled upon and subject to the conditions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members’ voluntary winding-up of the Company, elect to be treated as if they had immediately prior to the commencement of such winding-up exercised the Warrants and had

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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on such date been the holders of the Shares to which they would have been entitled pursuant to such exercise, and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warrantholders in accordance with the conditions of the Deed Poll of the passing of any such resolution within seven (7) business days after the passing thereof. Where a Warrantholder has elected to be treated as if it had exercised its Warrants as aforesaid, it shall be liable to pay the Exercise Price in relation to such exercise.

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

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

**Use of CPF Funds** : CPF members may use their savings in the CPF Ordinary Account (subject to the availability of investible savings) for the payment of the Exercise Price upon exercise of the Warrants (in which case the Warrant Shares arising therefrom will be held through the CPF Investment Account). CPF members are NOT permitted to use the CPF monies to:

- (i) purchase the Rights traded on SGX-ST; and/or
- (ii) purchase the Warrants traded on SGX-ST (the listing thereof subject to there being a sufficient spread of holdings).

**Warrant Agent** : B.A.C.S. Private Limited

**Governing Law** : Laws of the Republic of Singapore

The above terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights cum Warrants Issue will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Rights cum Warrants Issue at the EGM.

### 3.5 Eligibility of Shareholders to Participate in the Rights cum Warrants Issue

#### (a) Entitled Shareholders

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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

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

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

**Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company.** Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach Asia-Pacific Strategic Investments Limited, c/o B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not later than three (3) Market Days before the Books Closure Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12<sup>th</sup>) Market Day from the date of lodgement of the share certificates with CDP or such later date subject to the completion of the lodgement process.

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

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

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

Entitled Depositors, who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants, may only do so through CDP and/or by way of an electronic application through ATM(s) of a Participating Bank. Full details of the Rights cum Warrants Issue, including an indicative timetable of the key events, will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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(b) Foreign Shareholders

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

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

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

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 Warrant Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty. The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or applications for excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

**Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP.**

Foreign Shareholders who wish to be eligible to participate in the Rights cum Warrants Issue may provide a Singapore address by notifying in writing, as the case may be, (i) CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588 or (ii) Asia-Pacific Strategic Investments Limited c/o the Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not later than three (3) Market Days before the Books Closure Date.

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



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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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

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

Where such provisional allotments of Rights Shares with Warrants 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 or CDP in respect of such sales or proceeds thereof, the provisional allotments of Rights Shares with Warrants or the Rights Shares with Warrants represented by such provisional allotments.

If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on 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 with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be used to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

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

**Notwithstanding the above, Entitled Shareholders and any other person having possession of the 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 the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.**

The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of the Rights Shares with Warrants and for Excess Application for the Rights Shares with Warrants pursuant to the Rights cum Warrants Issue will be set out in the Offer Information Statement to be despatched by the Company to Entitled Shareholders in due course.

### 3.6 Rationale of Rights cum Warrants Issue and Use of Proceeds

The Company is undertaking the Rights cum Warrants Issue to strengthen the financial position and capital base of the Group. The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company. The net proceeds arising from the allotment and issuance of the Rights Shares (without taking into account the proceeds from the exercise of the Warrants) will be used to fund the Company's proposed expansion in the new business of real estate development in the People's Republic of China, funding growth and expansion (as and when opportunities arise) as well as for general working capital purposes.

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The net proceeds arising from the allotment and issuance of the Rights Shares (without taking into account the proceeds from the exercise of the Warrants), after deducting estimated costs and expenses of S\$0.3 million relating to the Rights cum Warrants Issue, is approximately S\$95.6 million in the Maximum Subscription Scenario. The Company intends to use the net proceeds arising from the allotment and issuance of the Rights Shares (without taking into account the proceeds from the exercise of the Warrants and in the following order of priority) as set out below:

Use of Net Proceeds	Percentage of Net Proceeds (%)
To fund the proposed expansion in the Company's proposed new business of real estate development	50 - 80
Funding growth and expansion (as and when opportunities arise)	10 - 30
Working capital purposes	10 - 30
<b>Total</b>	100

The additional proceeds arising from the exercise of all of the Warrants in the Maximum Subscription Scenario is approximately S\$95.9 million. As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions and/or strategic investments and working capital.

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

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

### 3.7 Review of Past Performance

The profit and loss statements, the cash flow statements, the balance sheets and the working capital position of the Group for the last three (3) financial years ended 30 June 2015, 2016 and 2017 and the latest half year ended 31 December 2017 are set out in **Appendix A** to this Circular.

### 3.8 Adequacy of Working Capital

The Directors are of the opinion that:

- (a) after taking into consideration the 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 reasons for undertaking the Rights cum Warrants Issue are set out in Section 3.6 of this Circular; and
- (b) after taking into consideration the present bank facilities and the net proceeds of the Rights cum Warrants Issue, the working capital available to the Group is sufficient to meet its present requirements.

### 3.9 Books Closure Date

Subject to the Shareholders' approval of the Rights cum Warrants Issue at the EGM, the Books Closure Date for the purpose of determining the Entitled Shareholders' entitlements under the Rights cum Warrants Issue will be announced at a later date.

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### 4. THE ADJUSTMENT WARRANTS ISSUE

#### 4.1 Basis of the Adjustment 2013 Warrants Issue

The Company had on 17 July 2013 issued 34,670,447 warrants (the “**2013 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.05 for each new share, pursuant to a rights cum warrants issue (the “**2013 Rights cum Warrants Issue**”). The 2013 Warrants are currently listed on the Catalist under the counter “W180716” and are subject to the terms and conditions set out in the deed poll dated 14 June 2013 as amended and supplemented by the supplemental deed poll dated 10 March 2014 (“**2013 Deed Poll**”).

As a result of the Company’s renounceable rights cum warrants issue announced on 27 November 2013 and pursuant to the 2013 Deed Poll, adjustments were made to the 2013 Warrants such that:

- (a) an additional 3,572,631 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 3.1346 warrants for every one (1) existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2013 Warrant was adjusted from S\$0.05 to S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 29 June 2015 and pursuant to the 2013 Deed Poll, further adjustments were made to the 2013 Warrants such that:

- (i) an additional 6,227,268 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 1.4375 warrants for every one (1) existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (ii) the exercise price of each 2013 Warrant was unchanged at S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2013 Deed Poll, further adjustments were made to the 2013 Warrants such that:

- (A) an additional 3,519,341 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every one (1) existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (B) the exercise price of each 2013 Warrant was unchanged at S\$0.01.

As a result of the Rights cum Warrants Issue and pursuant to the 2013 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2013 Warrants (the “**2013 Warrants Adjustments**”). As at the Latest Practicable Date, there are 14,078,669 outstanding, unexercised 2013 Warrants. Taking into account the conditions set out in the 2013 Deed Poll, the number of 2013 Warrants will be increased from 14,078,669 to a maximum of 18,100,944 warrants (assuming that there are 14,078,669 existing 2013 Warrants held by Entitled Warrant holders as at the Closing Date), representing an increase of a maximum of 4,022,275 warrants (“**Adjustment 2013 Warrants**”) and the 2013 Warrants Adjustments are as follows:

- (I) the exercise price of each 2013 Warrant will be unchanged at S\$0.01;
- (II) entitled warrant holders will be entitled to 0.2857 Adjustment 2013 Warrants for every one (1) existing 2013 Warrant held, fractional entitlements to be disregarded; and

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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- (III) each Adjustment 2013 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (“**Adjustment 2013 Warrant Share(s)**”).

As required by the terms of the 2013 Deed Poll, the Company’s auditors have on 10 May 2018 certified that the above adjustments have been made in accordance with the terms of the 2013 Deed Poll.

The issue of the Adjustment 2013 Warrants and the Adjustment 2013 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 31 March 2014.

The 2013 Warrants and the Adjustment 2013 Warrants, when issued, will expire on 16 July 2018.

### 4.2 Basis of the Adjustment 2014 Warrants Issue

The Company had on 7 May 2014 issued 715,210,185 warrants (the “**2014 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.02 for each new share, pursuant to a rights cum warrants issue (the “**2014 Rights cum Warrants Issue**”). The 2014 Warrants are currently listed on the Catalist under the counter “W190506” and are subject to the terms and conditions set out in the deed poll dated 3 April 2014 (“**2014 Deed Poll**”).

As a result of the Company’s renounceable rights cum warrants issue announced on 29 June 2015 and pursuant to the 2014 Deed Poll, adjustments were made to the 2014 Warrants such that:

- (a) an additional 456,038,343 warrants were issued to then existing holders of the 2014 Warrants such that the number of additional warrants issued was calculated on the basis of 1.4375 warrants for every one (1) existing 2014 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2014 Warrant was adjusted from S\$0.02 to S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2014 Deed Poll, adjustments were made to the 2014 Warrants such that:

- (i) an additional 257,734,778 warrants were issued to then existing holders of the 2014 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every one (1) existing 2014 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (ii) the exercise price of each 2014 Warrant was unchanged at S\$0.01.

As a result of the Rights cum Warrants Issue and pursuant to the 2014 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2014 Warrants (the “**2014 Warrants Adjustments**”). As at the Latest Practicable Date, there are 1,031,017,308 outstanding, unexercised 2014 Warrants. Taking into account the conditions set out in the 2014 Deed Poll, the number of 2014 Warrants will be increased from 1,031,017,308 to a maximum of 1,325,578,952 warrants (assuming that there are 1,031,017,308 existing 2014 Warrants held by Entitled Warrant holders as at the Closing Date), representing an increase of a maximum of 294,561,644 warrants (“**Adjustment 2014 Warrants**”) and the 2014 Warrants Adjustments are as follows:

- (A) the exercise price of each 2014 Warrant will be unchanged at S\$0.01;
- (B) entitled warrant holders will be entitled to 0.2857 Adjustment 2014 Warrants for every one (1) existing 2014 Warrant held, fractional entitlements to be disregarded; and
- (C) each Adjustment 2014 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (“**Adjustment 2014 Warrant Share(s)**”).

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As required by the terms of the 2014 Deed Poll, the Company's auditors have on 10 May 2018 certified that the above adjustments have been made in accordance with the terms of the 2014 Deed Poll.

The issue of the Adjustment 2014 Warrants and the Adjustment 2014 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 31 March 2014.

The 2014 Warrants and the Adjustment 2014 Warrants, when issued, will expire on 6 May 2019.

### 4.3 Basis of the Adjustment 2015 Warrants Issue

The Company had on 20 November 2015 issued 2,593,863,776 warrants (the "**2015 Warrants**"), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.005 for each new share, pursuant to a rights cum warrants issue (the "**2015 Rights cum Warrants Issue**"). The 2015 Warrants are currently listed on the Catalist under the counter "W201119" and are subject to the terms and conditions set out in the deed poll dated 20 October 2015 ("**2015 Deed Poll**").

As a result of the Company's renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2015 Deed Poll, adjustments were made to the 2015 Warrants such that:

- (a) an additional 863,915,268 warrants were issued to then existing holders of the 2015 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every one (1) existing 2015 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2015 Warrant was adjusted from S\$0.005 to S\$0.004.

As a result of the Rights cum Warrants Issue and pursuant to the 2015 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2015 Warrants (the "**2015 Warrants Adjustments**"). As at the Latest Practicable Date, there are 3,455,920,834 outstanding, unexercised 2015 Warrants. Taking into account the conditions set out in the 2015 Deed Poll, the number of 2015 Warrants will be increased from 3,455,920,834 to a maximum of 4,443,277,416 warrants (assuming that there are 3,455,920,834 existing 2015 Warrants held by Entitled Warrant holders as at the Closing Date), representing an increase of a maximum of 987,356,582 warrants ("**Adjustment 2015 Warrants**") and the 2015 Warrants Adjustments are as follows:

- (i) the exercise price of each 2015 Warrant will be adjusted from S\$0.004 to S\$0.003;
- (ii) entitled warrant holders will be entitled to 0.2857 Adjustment 2015 Warrants for every one (1) existing 2015 Warrant held, fractional entitlements to be disregarded; and
- (iii) each Adjustment 2015 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company ("**Adjustment 2015 Warrant Share(s)**").

As required by the terms of the 2015 Deed Poll, the Company's auditors have on 10 May 2018 certified that the above adjustments have been made in accordance with the terms of the 2015 Deed Poll.

The issue of the Adjustment 2015 Warrants and the Adjustment 2015 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 15 October 2015.

The 2015 Warrants and the Adjustment 2015 Warrants, when issued, will expire on 19 November 2020.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 4.4 Basis of the Adjustment 2018 Warrants Issue

The Company had on 31 January 2018 issued 7,785,307,748 warrants (the “**2018 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.003 for each new share, pursuant to a rights cum warrants issue (the “**2018 Rights cum Warrants Issue**”). The 2018 Warrants are currently listed on the Catalist under the counter “W230130” and are subject to the terms and conditions set out in the deed poll dated 29 December 2017 (“**2018 Deed Poll**”).

As a result of the Rights cum Warrants Issue and pursuant to the 2018 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2018 Warrants (the “**2018 Warrants Adjustments**”). As at the Latest Practicable Date, there are 7,785,307,748 outstanding, unexercised 2018 Warrants. Taking into account the conditions set out in the 2018 Deed Poll, the number of 2018 Warrants will be increased from 7,785,307,748 to a maximum of 10,009,570,171 warrants (assuming that there are 7,785,307,748 existing 2018 Warrants held by Entitled Warranholders as at the Closing Date), representing an increase of a maximum of 2,224,262,423 warrants (“**Adjustment 2018 Warrants**”) and the 2018 Warrants Adjustments are as follows:

- (a) the exercise price of each 2018 Warrant will be adjusted from S\$0.003 to S\$0.002;
- (b) entitled warranholders will be entitled to 0.2857 Adjustment 2018 Warrants for every one (1) existing 2018 Warrant held, fractional entitlements to be disregarded; and
- (c) each Adjustment 2018 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (“**Adjustment 2018 Warrant Share(s)**”).

As required by the terms of the 2018 Deed Poll, the Company’s auditors have on 10 May 2018 certified that the above adjustments have been made in accordance with the terms of the 2018 Deed Poll.

The issue of the Adjustment 2018 Warrants and the Adjustment 2018 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 6 December 2017.

The 2018 Warrants and the Adjustment 2018 Warrants, when issued, will expire on 30 January 2023.

### 4.5 Whitewash Waiver

Capitalised terms used in this Section 4.5, unless otherwise defined, shall have the same meanings as defined in the circular to the Shareholders dated 21 November 2017 (the “**2017 Circular**”).

In connection with the 2018 Rights cum Warrants Issue, the Securities Industry Council of Singapore (the “**SIC**”) had on 6 November 2017 waived the obligation under Rule 14 of the Code for Mr. Oei Hong Leong (“**Mr. Oei**”) and his concert parties (the “**Concert Party Group**”) to make a mandatory offer for the Company in the event that the Concert Party Group increases their aggregate shareholding in the Company to 30% or more based on the Company’s enlarged share capital as a result of:

- (a) the subscription for Rights Shares (as defined in the 2017 Circular) pursuant to the Sub-underwriting Commitment (as defined in the 2017 Circular) or the 2018 Rights cum Warrants Issue;
- (b) the exercise of the 2018 Warrants subscribed for pursuant to the Sub-underwriting Commitment or the 2018 Rights cum Warrants Issue; or
- (c) the exercise of the Adjustment Warrants (as defined in the 2017 Circular),

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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(the “Whitewash Waiver”).

In the extraordinary general meeting held on 6 November 2017, the Shareholders approved, *inter alia*, (i) the 2018 Rights cum Warrants Issue, and (ii) a Whitewash Resolution (as defined in the 2017 Circular). The disclosures as required under Note 2, Section 2 of Appendix 1 of the Code as set out below:

- (i) the Shareholders (other than Mr. Hano Maeloa and Ms Oei Siu Hoa @ Sukmawati Widjaja, the concert parties of the Concert Party Group and parties not independent of them) approved the Whitewash Resolution waiving their rights to receive a mandatory general offer from the Concert Party Group in accordance with Rule 14 of the Code, in the event that the Concert Party Group’s subscription of the Rights Shares and Warrant Shares (as defined in the 2017 Circular) arising from the exercise of the 2018 Warrants under the 2018 Rights cum Warrants Issue and/or the Adjustment Warrant Shares (as defined in the 2017 Circular) arising from the exercise of the Adjustment Warrants (including (a) the subscription of up to 7,785,299,728 Rights Shares by Mr. Oei pursuant to the Sub-underwriting Commitment; and/or (b) the exercise of up to 7,785,299,728 2018 Warrants subscribed by Mr. Oei under the Sub-underwriting Commitment) results in the Concert Party Group incurring an obligation to make a mandatory general offer pursuant to Rule 14 of the Code. To rely on the Whitewash Resolution, the acquisition of Rights Shares and 2018 Warrants under the 2018 Rights cum Warrants Issue by the Concert Party Group must be completed within three (3) months of the approval of the Whitewash Resolution, and (A) the acquisition of the Warrant Shares by the Concert Party Group upon the exercise of the 2018 Warrants and (B) the acquisition of new Shares upon the exercise of the Adjustment Warrants by Mr. Hano Maeloa and Ms. Oei Siu Hoa @ Sukmawati Widjaja must be completed with five (5) years of the date of issue of the 2018 Warrants (being 30 January 2023);
- (ii) as at the Latest Practicable Date, the Concert Party Group holds in aggregate:
  - (A) 4,361,213,649 Shares representing 37.35% of the voting rights in the capital of the Company; and
  - (B) 266,039,268 2014 Warrants, 288,612,298 2015 Warrants and 4,066,634,695 2018 Warrants (collectively, the “Convertibles”),
- (iii) the maximum potential voting rights of the Concert Party Group in the Company, assuming that only the Concert Party Group (but not other Shareholders) exercise their Convertibles in full is 55.11% (based on the enlarged share capital which includes the shares issued arising from the exercise of Convertibles held by the Concert Party Group);
- (iv) having approved the Whitewash Resolution on 6 December 2017, Shareholders have waived their rights to a general offer from the Concert Party Group and their concert parties at the highest price paid by the Concert Party Group for Shares in the past 6 months preceding the commencement of the offer; and
- (v) having approved the Whitewash Resolution on 6 December 2017, Shareholders could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of (A) the 2018 Warrants subscribed by the Concert Party Group pursuant to the Sub-underwriting Commitment or 2018 Rights cum Warrants Issue and (B) the Adjustment Warrants to be issued to Mr Hano Maeloa and Ms Oei Siu Hoa @ Sukmawati Widjaja.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 4.6 Principal Terms of the Adjustment Warrants

<b>Number of Adjustment Warrants</b>	:	Up to 3,510,202,924 Adjustment Warrants to be issued on the terms and conditions of the Relevant Deed Poll
<b>Basis of Allotment</b>	:	0.2857 free Adjustment 2013 Warrants for every one (1) existing 2013 Warrant held by Entitled Warranholders as at the Closing Date, fractional entitlements to be disregarded  0.2857 free Adjustment 2014 Warrants for every one (1) existing 2014 Warrant held by Entitled Warranholders as at the Closing Date, fractional entitlements to be disregarded  0.2857 free Adjustment 2015 Warrants for every one (1) existing 2015 Warrant held by Entitled Warranholders as at the Closing Date, fractional entitlements to be disregarded  0.2857 free Adjustment 2018 Warrants for every one (1) existing 2018 Warrant held by Entitled Warranholders as at the Closing Date, fractional entitlements to be disregarded
<b>Trading</b>	:	The Adjustment 2013 Warrants, the Adjustment 2014 Warrants, the Adjustment 2015 Warrants and the Adjustment 2018 Warrants will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system upon the listing and quotation of the Adjustment 2013 Warrants, the Adjustment 2014 Warrants, the Adjustment 2015 Warrants and the Adjustment 2018 Warrants on the SGX-ST.
<b>Listing of the Adjustment Warrants and the Adjustment Warrant Shares</b>	:	An application will be made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Adjustment Warrants and the Adjustment Warrant Shares. The Company will make the necessary announcement on SGXNET upon the receipt of the listing and quotation notice by the SGX-ST.
<b>Form and subscription rights</b>	:	The Adjustment Warrants will be issued in registered form and will be constituted by the Relevant Deed Poll. Subject to the terms and conditions of the Adjustment Warrants as set out in the Relevant Deed Poll, each Adjustment Warrant shall entitle the Entitled Warranholder, at any time during the relevant exercise period, to subscribe for one (1) Adjustment Warrant Share at the Relevant Warrants Exercise Price in force on the relevant date of exercise of the Relevant Warrants
<b>2013 Warrant Exercise Price</b>	:	S\$0.01
<b>2014 Warrant Exercise Price</b>	:	S\$0.01
<b>2015 Warrant Exercise Price</b>	:	S\$0.003
<b>2018 Warrant Exercise Price</b>	:	S\$0.002



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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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**Exercise Period for the Adjustment 2013 Warrants** : The Adjustment 2013 Warrants may be exercised at any time from and including the date of the issue of the 2013 Warrants up to 5.00 p.m. on 16 July 2018, being the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the existing 2013 Warrants, unless such date is a date on which the Register of Members and/or Register of 2013 Warrantholders of the Company is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of 2013 Warrantholders may be closed pursuant to the terms and conditions of the 2013 Warrants as set out in the 2013 Deed Poll. 2013 Warrants remaining unexercised at the expiry of the exercise period shall lapse and cease to be valid for any purpose.

Notice of expiry of the 2013 Warrants shall be given to all 2013 Warrantholders at least one (1) month before the end of the relevant expiry period.

**Exercise Period for the Adjustment 2014 Warrants** : The Adjustment 2014 Warrants may be exercised at any time from and including the date of the issue of the 2014 Warrants up to 5.00 p.m. on 6 May 2019, being the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the existing 2014 Warrants, unless such date is a date on which the Register of Members and/or Register of 2014 Warrantholders of the Company is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of 2014 Warrantholders may be closed pursuant to the terms and conditions of the 2014 Warrants as set out in the 2014 Deed Poll. 2014 Warrants remaining unexercised at the expiry of the exercise period shall lapse and cease to be valid for any purpose.

Notice of expiry of the 2014 Warrants shall be given to all 2014 Warrantholders at least one (1) month before the end of the relevant expiry period.

**Exercise Period for the Adjustment 2015 Warrants** : The Adjustment 2015 Warrants may be exercised at any time from and including the date of issue of the Adjustment 2015 Warrants up to 5.00 p.m. on 19 November 2020, being the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the existing 2015 Warrants, unless such date is a date on which the Register of Members and/or Register of 2015 Warrantholders of the Company is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of 2015 Warrantholders may be closed pursuant to the terms and conditions of the 2015 Warrants as set out in the 2015 Deed Poll. Adjustment 2015 Warrants remaining unexercised at the expiry of the exercise period shall lapse and cease to be valid for any purpose.

Notice of expiry of the 2015 Warrants shall be given to all 2015 Warrantholders at least one (1) month before the end of the relevant expiry period.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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**Exercise Period for the Adjustment 2018 Warrants** : The Adjustment 2018 Warrants may be exercised at any time from and including the date of issue of the Adjustment 2018 Warrants up to 5.00 p.m. on 30 January 2023, being the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the existing 2018 Warrants, unless such date is a date on which the Register of Members and/or Register of 2018 Warrantheolders of the Company is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of 2018 Warrantheolders may be closed pursuant to the terms and conditions of the 2018 Warrants as set out in the 2018 Deed Poll. Adjustment 2018 Warrants remaining unexercised at the expiry of the exercise period shall lapse and cease to be valid for any purpose.

Notice of expiry of the 2018 Warrants shall be given to all 2018 Warrantheolders at least one (1) month before the end of the relevant expiry period.

**Mode of payment for exercise of Adjustment Warrants** : The Relevant Warrantheolders who exercise their Relevant Warrants must pay the Relevant Warrants Exercise Price by way of (i) remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the Relevant Warrants Exercise Price payable in respect of the Relevant Warrants exercised; or (ii) subject to the Adjustment Warrants being listed on Catalist, by debiting the relevant Relevant Warrantheolder's CPF Investment Account with the specified CPF Approved Bank, for the credit of the Company for the full amount of the Relevant Warrants Exercise Price payable in respect of the Relevant Warrants exercised.

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

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

Any additional Relevant Warrants issued pursuant to such adjustments shall rank *pari passu* with the Adjustment Warrants and the Existing Warrants and will for all purposes form part of the same series. Any such adjustments shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company on SGXNET.

**Status of Adjustment Warrant Shares** : The Adjustment Warrant Shares arising from the exercise of the Adjustment Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save that they will not be entitled to participate in any dividends, rights, allotments or other distributions, that may be declared or paid, the Record Date for which falls before the date of exercise of the Adjustment Warrants.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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

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

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

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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- (ii) Deceased Warrantholder – the executors and administrators of a deceased Relevant Warrantholder whose Relevant Warrants are registered otherwise than in the name of CDP (not being one of several joint holders whose Relevant Warrants are registered otherwise than in the name of CDP) or if the Relevant Warrantholder is CDP, of a deceased Depositor, and, in the case of one or more of several such joint Relevant Warrantholders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having title to Relevant Warrants registered in the name of a deceased Relevant Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and the payment of the fees and expenses set out in the Relevant Deed Poll, be entitled to be registered as a holder of the Relevant Warrants or to make such transfer as the deceased holder could have made;
- (iii) Relevant Warrants registered in the name of CDP – where the Relevant Warrants are registered in the name of CDP and the Relevant Warrants are to be transferred between Depositors, such Relevant Warrants must be transferred in the Depository Register by CDP by way of book-entry; and
- (iv) Effective Date of Transfer – A Transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Relevant Warrant until the name of the transferee is entered in the relevant Register of Warrantholders by the Warrant Agent or the Depository Register by CDP, as the case may be.

### **Winding-up**

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

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

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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- Further Issues** : Subject to the terms and conditions of the Relevant Warrants as set out in the Relevant Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Relevant Warrant holders shall not have any participating rights in such further issues of Shares or subscription rights unless otherwise resolved by the Company in general meeting.
- Use of CPF Funds** : CPF members may use their savings in the CPF Ordinary Account (subject to the availability of investible savings) for the payment of the Relevant Warrants Exercise Price upon exercise of the Warrants (in which case the Relevant Warrant Shares arising therefrom will be held through the CPF Investment Account). CPF members are NOT permitted to use the CPF monies to:
- (i) purchase the Rights traded on SGX-ST; and/or
  - (ii) purchase the Relevant Warrants traded on SGX-ST (the listing thereof subject to there being a sufficient spread of holdings).
- Warrant Agent** : B.A.C.S. Private Limited
- Governing Law** : Laws of the Republic of Singapore

### 5. FINANCIAL EFFECTS OF THE RIGHTS CUM WARRANTS ISSUE

#### 5.1 Assumptions

The pro forma financial effects of the Rights cum Warrants Issue, based on the audited consolidated financial statements of the Group for FY2017 are set out below. The pro forma financial effects are only presented for illustration purposes, and are not intended to reflect the actual future financial situation of the Company or the Group after completion of the Rights cum Warrants Issue. The financial effects are presented herein after taking into account the following assumptions:

- (a) none of the Existing Warrants are exercised on or prior to the Books Closure Date;
- (b) all the Entitled Shareholders subscribe and pay for their *pro rata* entitlements of Rights Shares with Warrants;
- (c) all the Rights Shares, Warrants and Adjustment Warrants have been issued;
- (d) all the Existing Warrants, the Warrants and the Adjustment Warrants are exercised after the completion of the Rights cum Warrants Issue;
- (e) for the purpose of computing the financial effects of the Rights cum Warrants Issue and the Adjustment Warrants Issue on the NTA per Share of the Group:
  - (i) the Rights cum Warrants Issue and the Adjustment Warrants Issue are completed on 30 June 2017;
  - (ii) the issuance of new Shares subsequent to FY2017 pursuant to the exercise of 4,010 2015 Warrants is completed on 30 June 2017; and
  - (iii) the issuance of new Shares subsequent to FY2017 pursuant to the 2018 Rights cum Warrants Issue is completed on 30 June 2017; and

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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- (f) for the purpose of computing the financial effects of the Rights cum Warrants Issue and the Adjustment Warrants Issue on the loss per Share of the Group:
- (i) the Rights cum Warrants Issue and the Adjustment Warrants Issue are completed on 1 July 2016;
  - (ii) the issuance of new Shares subsequent to FY2017 pursuant to the exercise of 4,010 2015 Warrants is completed on 1 July 2016; and
  - (iii) the issuance of new Shares subsequent to FY2017 pursuant to the 2018 Rights cum Warrants Issue is completed on 1 July 2016.

### 5.2 Net Tangible Assets

The effects on the consolidated NTA of the Group for FY2017 will be as follows:

#### As at 30 June 2017

NTA as at 30 June 2017 (S\$'000)	26,792
Add: Adjustments for net proceeds from issuance of new Shares pursuant to the exercise of 4,010 2015 Warrants and 2018 Rights cum Warrants Issue (S\$'000)	22,391
Adjusted NTA before the issue of the Rights Shares and the Warrants (S\$'000)	49,183
Number of Shares before the issue of the Rights Shares and the Warrants ('000)	11,677,962
NTA per Share before the issue of the Rights Shares (cents)	0.4

#### **After the issue of the Rights Shares and the Warrants**

Add: Net proceeds from the issue of the Rights Shares (S\$'000)	46,412
NTA after the issue of the Rights Shares (S\$'000)	95,595
Number of Shares after the issue of the Rights Shares ('000)	35,033,885

NTA per Share after the issue of the Rights Shares (cents)	0.3
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#### **After the issue of the Rights Shares, the Warrants and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants**

Add: Net proceeds from the exercise of all the Existing Warrants, Warrants and Adjustment Warrants (S\$'000)	93,498
NTA after the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants (S\$'000)	189,093
Number of Shares after the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants ('000)	74,186,336

NTA per Share after the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants (cents)	0.3
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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 5.3 Loss per Share

The effects on the consolidated EPS of the Group for FY2017 will be as follows:

#### FY2017

Net loss attributable to the owners of the Company (S\$'000)	(6,588)
Adjusted net loss attributable to the owners of the Company after the completion of the Rights cum Warrants Issue and the Adjustment Warrants Issue (S\$'000)	(6,588)
Weighted average number of Shares before the Rights cum Warrants Issue and the Adjustment Warrants Issue ('000)	3,891,487
Add: Issuance of new Shares pursuant to the exercise of 4,010 2015 Warrants and 2018 Rights cum Warrants Issue ('000)	7,785,312
Weighted average number of Shares before the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants ('000)	11,676,799
Weighted average number of Shares after the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants ('000)	74,185,173
Loss per Share before the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants (cents)	(0.17)
Loss per Share after the issue of the Rights Shares and the Adjustment Warrants, and the exercise of all the Existing Warrants, Warrants and Adjustment Warrants (cents)	(0.01)

### 5.4 Share Capital

The effects on the share capital of the Company are as follows:

	<b>Number of Shares</b>	<b>Share Capital (S\$)</b>
Existing Share Capital as at the Latest Practicable Date	11,677,961,622	187,051,508
Add: Rights Shares to be issued	23,355,923,244	46,711,846
Issued Share Capital after the Rights Shares are issued	35,033,884,866	233,763,354
Add: New Shares arising from the conversion of all Existing Warrants, Warrants and the Adjustment Warrants	39,152,450,727	93,497,618
Enlarged share capital after the Rights Shares are issued, and after the conversion of all Existing Warrants, Warrants and the Adjustment Warrants	74,186,335,593	327,260,973

### 5.5 Gearing

Based on the audited consolidated balance sheet of the Group as at 30 June 2017, the Group has no aggregate borrowings from banks and financial institutions less cash in hand. As such, the Group will not have any meaningful net gearing computation before and after the Rights cum Warrants Issue and the Adjustment Warrants Issue.

## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

### 6. OFFER INFORMATION STATEMENT

An Offer Information Statement will be despatched to Entitled Shareholders subject to, *inter alia*, the approval of Shareholders for the Rights cum Warrants Issue being obtained at the EGM. Acceptances and applications under the Rights cum Warrants Issue can only be made on the following (all of which will form part of the Offer Information Statement):-

- (a) the PAL, in the case of Entitled Scripholders;
- (b) the ARE or through the ATMs of a Participating Bank, in the case of Entitled Depositors; and
- (c) the ARS or through the ATMs of a Participating Bank, in the case of persons purchasing provisional allotments of Rights with Warrants through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore.

### 7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interest, direct or indirect, in the Change of Name, the Rights cum Warrants Issue or the Adjustment Warrants Issue.

#### 7.1 Interests in Shares

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital as recorded in the Register of Directors' Shareholdings maintained pursuant to section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to section 88 of the Companies Act are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
<b>Directors</b>				
Dato' Dr Choo Yeow Ming <sup>(2)</sup>	753,970,232	6.46	352,479,500	3.02
Lee Keng Mun	-	-	-	-
Hano Maeloa	277,000,154	2.37	-	-
Dr. Lam Lee G	-	-	-	-
Chew Soo Lin	10,800,036	0.09	-	-
Yap Siew Sin	-	-	-	-
Zhang Wenqing	-	-	-	-
Lum Moy Foong	-	-	-	-
Lien Kait Long	11,500,500	0.1	-	-
<b>Substantial Shareholder(s) other than Directors</b>				
Oei Hong Leong	4,066,634,695	34.82	-	-
Toh Soon Huat <sup>(3)</sup>	21,360,300	0.18	562,830,000	4.82

#### Notes:

- (1) The percentage of Shares is computed based on 11,677,961,622 Shares, being the total number of issued voting shares of the Company (excluding treasury shares) as at the Latest Practicable Date.
- (2) Dato' Dr Choo Yeow Ming is deemed interested in Shares held by his spouse. By virtue of section 7 of the Companies Act, he is also deemed to have an interest in Shares held by Summers Overseas Limited and Orient Achieve Limited. These deemed interests are held through nominees.
- (3) Toh Soon Huat's interest of 562,830,000 Shares are registered under nominees.



## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

### 7.2 Interests in Warrants

As at the Latest Practicable Date, based on the information in the warrant registers and the depository registers maintained by the warrant agent and by the CDP respectively pursuant to the terms and conditions of the existing warrants of the Company, the interests of the Directors and holders of more than 5.0% of the existing warrants of the Company are as follows:

#### 2013 Warrants

	Direct Interest		Deemed Interest	
	Number of 2013 Warrants	%(1)	Number of 2013 Warrants	%(1)
<b>Directors</b>				
Dato' Dr Choo Yeow Ming	-	-	-	-
Lee Keng Mun	-	-	-	-
Hano Maeloa	-	-	-	-
Dr. Lam Lee G	-	-	-	-
Chew Soo Lin	-	-	-	-
Yap Siew Sin	-	-	-	-
Zhang Wenqing	-	-	-	-
Lum Moy Foong	-	-	-	-
Lien Kait Long	-	-	-	-
<b>Holders of 2013 Warrants</b>				
Philip Securities Pte Ltd	6,929,977	49.22	-	-
Raffles Nominees (Pte) Ltd	1,693,123	12.03	-	-
Kam Keng Seng	718,882	5.11	-	-

**Note:**

(1) The percentage interest is based on the existing 14,078,669 Warrants as at the Latest Practicable Date.

#### 2014 Warrants

	Direct Interest		Deemed Interest	
	Number of 2014 Warrants	%(1)	Number of 2014 Warrants	%(1)
<b>Directors</b>				
Dato' Dr Choo Yeow Ming	-	-	-	-
Lee Keng Mun	-	-	-	-
Hano Maeloa	250,169,856	24.26	-	-
Dr. Lam Lee G	-	-	-	-
Chew Soo Lin	7,149,918	0.69	-	-
Yap Siew Sin	-	-	-	-
Zhang Wenqing	-	-	-	-
Lum Moy Foong	-	-	-	-
Lien Kait Long	-	-	-	-
<b>Holders of 2014 Warrants</b>				
Philip Securities Pte Ltd	124,031,461	12.03	-	-
Citibank Nominees Singapore Pte Ltd	100,812,479	9.78	-	-
Leong Fook Weng	65,718,914	6.37	-	-
UOB Kay Hian Pte Ltd	52,065,024	5.05	-	-

**Note:**

(1) The percentage interest is based on the existing 1,031,017,308 2014 Warrants as at the Latest Practicable Date.

## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

### 2015 Warrants

	Direct Interest		Deemed Interest	
	Number of 2015 Warrants	%( <sup>1</sup> )	Number of 2015 Warrants	%( <sup>1</sup> )
<b>Directors</b>				
Dato' Dr Choo Yeow Ming	390,341,825	11.29	310,196,244	8.98
Lee Keng Mun	-	-	-	-
Hano Maeloa	272,987,089	7.90	-	-
Dr. Lam Lee G	-	-	-	-
Chew Soo Lin	3,199,920	0.09	-	-
Yap Siean Sin	-	-	-	-
Zhang Wenqing	-	-	-	-
Lum Moy Foong	-	-	-	-
Lien Kait Long	-	-	-	-
<b>Holder of 2015 Warrants</b>				
Citibank Nominees Singapore Pte Ltd	479,256,017	13.87	-	-
Raffles Nominees (Pte) Ltd	422,830,293	12.23	-	-
Goh Yeow Hwa	225,186,503	6.52	-	-

**Note:**

(1) The percentage interest is based on the existing 3,455,920,834 2015 Warrants as at the Latest Practicable Date.

### 2018 Warrants

	Direct Interest		Deemed Interest	
	Number of 2018 Warrants	%( <sup>1</sup> )	Number of 2018 Warrants	%( <sup>1</sup> )
<b>Directors</b>				
Dato' Dr Choo Yeow Ming	-	-	-	-
Lee Keng Mun	-	-	-	-
Hano Maeloa	-	-	-	-
Dr. Lam Lee G	-	-	-	-
Chew Soo Lin	7,200,000	0.09	-	-
Yap Siean Sin	-	-	-	-
Zhang Wenqing	-	-	-	-
Lum Moy Foong	-	-	-	-
Lien Kait Long	11,000,000	0.14	-	-
<b>Holder of 2018 Warrants</b>				
Oei Hong Leong	4,066,634,695	52.24	-	-

**Note:**

(1) The percentage interest is based on the existing 7,785,307,748 2018 Warrants as at the Latest Practicable Date.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 8. DIRECTORS' RECOMMENDATION

#### 8.1 Change of Name

Having considered the rationale for the Change of Name, the Directors are of the opinion that the Change of Name is in the best interests of the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of Special Resolution 1 relating to the Change of Name, as set out in the Notice of EGM.

#### 8.2 Rights cum Warrants Issue

Having considered the terms and conditions of and rationale for the Rights cum Warrants Issue, the Directors are of the opinion that the Rights cum Warrants Issue is in the best interests of the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 2 relating to the Rights cum Warrants Issue, as set out in the Notice of EGM.

#### 8.3 Note to Shareholders

Shareholders, in deciding whether to vote in favour of the Proposed Resolutions, should read carefully the terms and conditions, rationale and financial effects of the Change of Name and the Rights cum Warrants Issue. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

### 9. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Antica I, Level 2, Orchard Parade Hotel, 1 Tanglin Road, Singapore 247905 on 21 June 2018 at 11.00 a.m. for the purpose of considering and, if thought fit, passing with or without modification(s), the resolutions as set out in the Notice of EGM.

### 10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company not less than 48 hours before the time fixed for the EGM. The completion and lodgment of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the EGM.

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## LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

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### 11. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date of this Circular to the time and date of the EGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for FY2015, FY2016 and FY2017.

Yours faithfully

For and on behalf of  
the Board of Directors of  
**ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**  
Dato' Dr Choo Yeow Ming  
Chairman and Chief Executive Officer

## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

### 1. Consolidated Income Statements

The audited consolidated income statements of the Group for FY2015, FY2016 and FY2017 are set out below:

	FY2015 S\$'000 (restated)	FY2016 S\$'000 (restated)	FY2017 S\$'000
<b>Continuing operations</b>			
Revenue	73	8,325	16,329
Cost of services	-	(7,680)	(15,297)
<b>Gross profit</b>	73	645	1,032
Other gains/(losses), net	1,455	(91,755)	(1,886)
Expenses			
- Distribution and marketing	-	(89)	(545)
- Administrative	(2,356)	(5,988)	(4,941)
Loss before income tax	(828)	(97,187)	(6,340)
Income tax (expense)/credit	(15)	3	(72)
<b>Loss from continuing operations</b>	(843)	(97,184)	(6,412)
<b>Discontinued operations</b>			
Loss from discontinued operations	(1,410)	(506)	(176)
<b>Total loss attributable to equity holders of the Company</b>	(2,253)	(97,690)	(6,588)
Weighted average number of shares ('000)	1,670,015	3,392,439	3,891,487
<b>Loss per share</b>			
Basic and diluted loss per share (cents)	(0.13)	(2.88)	(0.17)
<b>Dividends per share (cents)</b>	-	-	-

#### Notes:

- (1) With effect from 1 July 2016, the Group and the Company enacted to change the presentation currency from Malaysian Ringgit ("RM") to Singapore Dollar ("S\$"). The change in presentation currency has been applied retrospectively in accordance with FRS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Prior periods comparative numbers for the Group in the financial statements have been restated in Singapore Dollars in order to provide meaningful comparable information.
- (2) In FY2016, the Group consolidated the results of the following new wholly-owned subsidiaries:
  - Century 21 Hong Kong Limited ("C21 HK") (with effect from 21 October 2015);
  - Global Alliance Property Pte Ltd ("GAP") (with effect from 2 February 2016); and
  - Century 21 (AsPac) Realty Pte Ltd ("C21 AsPac"), a wholly-owned subsidiary of GAP (with effect from 10 March 2016).

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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- (3) In FY2016, the Group completed the disposal of HMS Capital Sdn Bhd and its subsidiary corporations (“**HMSC Group**”).

In FY2017, the Group completed the disposal of C21 HK and its wholly owned subsidiary corporation (“**C21 Group**”).

In compliance with FRS 105 *Non-Current Assets Held for Sale and Discontinued Operations*, the entire results of C21 Group and HMSC Group are presented separately in the income statements as “Discontinued Operations”.

Discontinued operations for FY2015 include the results of HMSC Group.

Discontinued operations for FY2016 include the results of both HMSC Group from 1 July 2015 to 4 February 2016 and C21 Group from 21 October 2015 to 30 June 2016.

Discontinued operations for FY2017 include the results of C21 Group from 1 July 2016 to 15 November 2016.

A review of the operations, business and financial performance of the Group is set out below:

### **FY2015 vs FY2014**

#### *Revenue*

Revenue of S\$73,000 in FY2015, which consisted of management service fee income, was at the same level as that recorded in FY2014.

#### *Other gains, net*

In FY2015, a net other gains of S\$1.5 million was recorded as opposed to a net other losses of S\$172,000 in FY2014. The gain in FY2015 was mainly due to gains derived from the disposal/redemption of financial assets held for trading of S\$1.1 million, dividends income of S\$774,000 and foreign exchange gain of S\$569,000. This was offset by a fair value loss of S\$945,000 on financial assets.

#### *Loss from discontinued operations*

The discontinued operations reported a loss of S\$1.4 million in FY2015, which was at the same level as that reported in FY2014.

#### *Net loss*

The Group reported an improved net loss of S\$2.3 million in FY2015 as compared with the net loss of S\$3.4 million posted in FY2014.

### **FY2016 vs FY2015**

#### *Revenue, cost of services and gross profit*

Revenue, cost of services and gross profit of S\$8.3 million, S\$7.7 million and S\$645,000 respectively in FY2016 was due mainly to the consolidation of the results of the new wholly-owned subsidiaries, GAP and C21 (AsPac).

#### *Other losses, net*

The net other losses of S\$91.8 million in FY2016 was due mainly to an amount of S\$93.7 million loss from the disposal of HMSC Group and S\$3.8 million on allowance for impairment loss of available-for-sale financial assets, offset by fair value gain on financial assets at fair value through profit or loss of S\$1.4 million and reversal of other payable of S\$4 million.

#### *Distribution and marketing expenses*

#### *Administrative expenses*

The increase in distribution and marketing expenses, and administrative expenses in FY2016 stemmed from the inclusion of results from GAP and C21 AsPac, as well as an allowance for impairment of trade and other receivables of S\$1.9 million, a S\$208,000 increase in donations and S\$304,000 increase in professional fees.

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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### *Loss from discontinued operations*

The discontinued operations turned in a lower loss of S\$506,000 in FY2016 as compared to S\$1.4 million in FY2015 largely due to the exclusion of HMSC Group's results after the disposal on 4 February 2016.

### *Net loss*

The Group reported a net loss of S\$97.7 million in FY2016, which was greater than the net loss of S\$2.3 million posted in FY2015, mainly due to higher "other losses, net" and administrative expenses, offset by higher gross profit as well as lower net loss from discontinued operations as mentioned above.

### **FY2017 vs FY2016**

#### *Revenue, cost of services and gross profit*

Revenue, cost of services and gross profit for FY2017 increased to 16.3 million, S\$15.3 million and S\$1.0 million respectively due to the consolidation of the full year results of the wholly-owned subsidiary corporations, GAP and C21 AsPac which were acquired on 2 February 2016 and 10 March 2016 respectively.

#### *Other losses, net*

The net other losses of S\$1.9 million in FY2017 was attributable mainly to the fair value loss on financial assets at fair value through profit or loss of S\$1.9 million, a foreign exchange loss of S\$703,000 and the loss on disposal of subsidiary corporations of S\$377,000. The loss was partially offset by a dividend income of S\$662,000 and an interest income of S\$268,000. The other losses, net for FY2016 was mainly due to the loss on disposal of subsidiary corporations amounting to S\$93.7 million that was completed on February 2016.

#### *Distribution and marketing expenses*

The increase in distribution and marketing expenses for FY2017 stemmed from the inclusion of the full year results of newly acquired subsidiary corporations as mentioned above.

#### *Administrative expenses*

The administrative expenses for FY2017 were lower than that for FY2016 even though the Group consolidated the full year results of GAP and C21 AsPac. This was due mainly to the fact that there was no allowance for impairment loss of trade and other receivables in FY2017 as compared to S\$1.9 million recognised in FY2016.

### *Loss from discontinued operations*

The loss from discontinued operations in FY2017 was due to the results of C21 Group from 1 July to 15 November 2016, whereas the loss from discontinued operations reported in FY2016 was from both C21 Group from 21 October 2015 to 30 June 2016 and HMSC Goup from 1 July to 4 February 2016 respectively.

### *Net loss*

In FY2017, the Group reported a net loss of S\$6.6 million, which was lower than the loss of S\$97.7 million reported in FY2016. This was due mainly to lower "other losses, net", administrative expenses and lower net loss from discontinued operations, offset by higher distribution and marketing expenses as mentioned above.

## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

### 2. Consolidated Balance Sheets

The audited consolidated balance sheets of the Group as at 30 June 2015, 30 June 2016, and 30 June 2017 are set out below:

	As at 30 June 2015 S\$'000 (restated)	As at 30 June 2016 S\$'000 (restated)	As at 30 June 2017 S\$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4,266	12,078	1,198
Financial assets, at fair value through profit or loss	12,412	14,336	15,024
Trade and other receivables	1,995	13,307	13,022
Other current assets	111	467	399
Available-for-sale financial assets	-	2,000	2,000
	18,784	42,188	31,643
Assets of disposal group classified as held-for-sale	26,435	-	-
	45,219	42,188	31,643
<b>Non-current assets</b>			
Available-for-sale financial assets	6,492	-	-
Property, plant and equipment	23	503	574
Intangible assets	-	1,582	1,096
	6,515	2,085	1,670
<b>Total assets</b>	51,734	44,273	33,313
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	67	9,529	5,205
Current income tax liabilities	15	88	16
	82	9,617	5,221
Liabilities directly associated with disposal group classified as held-for-sale	9,814	-	-
	9,896	9,617	5,221
<b>Non-current liabilities</b>			
Other payable	4,000	-	-
Provisions	-	165	204
Deferred income tax liabilities	-	86	21
	4,000	251	225
<b>Total liabilities</b>	13,896	9,868	5,446
<b>Net assets</b>	37,838	34,405	27,867



## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

	As at 30 June 2015 S\$'000 (restated)	As at 30 June 2016 S\$'000 (restated)	As at 30 June 2017 S\$'000
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	146,634	161,325	161,334
Other reserves	(95,546)	(15,980)	(15,939)
Accumulated losses	(13,250)	(110,940)	(117,528)
<b>Total equity</b>	<b>37,838</b>	<b>34,405</b>	<b>27,867</b>

### Review of balance sheet as at 30 June 2015

#### **Current assets**

##### ***Cash and cash equivalents***

As at 30 June 2015, the Group's cash and cash equivalents mainly comprised of cash at bank.

##### ***Financial assets, at fair value through profit or loss***

The financial assets, at fair value through profit or loss as at 30 June 2015 consisted of investment in quoted securities that offer the Group the opportunity for return through dividend income and fair value gains.

##### ***Trade and other receivables***

Trade and other receivables as at 30 June 2015 mainly consisted of other receivables from advance payments to consultants for technical due diligence carried out in connection with the proposed acquisition of Coeur Gold Armenia Ltd.

##### ***Other current assets***

Other current assets as at 30 June 2015 mainly comprised of utilities deposits of S\$93,000 and prepaid operating expenses of S\$18,000.

##### ***Assets of disposal group classified as held-for-sale***

This consisted of assets of HMSC Group which was disposed on 4 February 2016.

The details of assets in disposal group classified as held-for-sale are as follows:

	S\$'000
Cash and cash equivalents	8,226
Trade and other receivables	2,304
Inventories and development expenditure	14,475
Other current assets	73
Property, plant and equipment	1,357
	<hr/>
	26,435
	<hr/> <hr/>

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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### Non-current assets

#### *Available-for-sale financial assets*

This consists of a 22.3% equity interest in a company engaged in mineral mining industry. The Group has classified the investment in this company as available-for-sale financial assets, as the Group does not have a significant influence over the company.

#### *Property, plant and equipment*

The property, plant and equipment consisted of office renovation, office equipment, furniture and fittings.

### Current Liabilities

#### *Trade and other payables*

As at 30 June 2015, trade and other payables comprised of other payables of S\$15,000 and accrued operating expenses of S\$52,000.

#### *Current income tax liabilities*

As at 30 June 2015, The Group recorded income tax payable of S\$15,000.

#### *Liabilities directly associated with disposal group classified as held-for-sale*

This consisted of liabilities of HMSC Group which was disposed on 4 February 2016.

The details of liabilities directly associated with disposal group classified as held-for-sale are as follows:

	<b>S\$'000</b>
Trade and other payables	9,720
Borrowings	94
	<hr/>
	9,814
	<hr/> <hr/>

### Non-current liabilities

#### *Other payable*

The other payable is the amount payable to the vendor of available-for-sale financial assets in the form of a convertible promissory note. The note shall only be issued by the Group if the gold mine commences production of gold.

### Equity

#### *Shareholders' equity*

As at 30 June 2015, shareholders' equity amounted to S\$37.8 million, comprising of S\$146.6 million of share capital. This balance was offset by restructuring reserve of S\$89.6 million, translation reserve of S\$6.4 million and accumulated losses of S\$13.3 million.

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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### **Review of balance sheet as at 30 June 2016**

#### **Current assets**

##### ***Cash and cash equivalents***

As at 30 June 2016, the Group's cash and cash equivalents mainly comprised of cash at bank.

##### ***Financial assets, at fair value through profit and loss***

The financial assets, at fair value through profit or loss as at 30 June 2016 consisted of investment in quoted securities that offer the Group the opportunity for return through dividend income and fair value gains.

##### ***Trade and other receivables***

Trade and other receivables as at 30 June 2016 mainly consisted of:

- (i) trade receivables of S\$4.7 million;
- (ii) balance of purchase consideration due from the purchaser of HMSC Group of S\$2.9 million; and
- (iii) working capital loan of S\$5.5 million granted to 中房集团联合投资股份有限公司 (“中房联合投资”). 中房联合投资 is one of the vendors of 中房联合置业集团有限公司 (“中房联合置业”), the target company pursuant to a sale and purchase agreement entered into between the Company and the vendors of 中房联合置业.

##### ***Other current assets***

Other current assets as at 30 June 2016 mainly comprised of utilities deposits of S\$293,000 and prepaid operating expenses of S\$174,000.

##### ***Available-for-sale financial assets***

This consists of a 22.3% equity interest in a company engaged in mineral mining industry. The Group has classified the investment in this company as available-for-sale financial assets, as the Group does not have a significant influence over the company.

Fair value of the unquoted equity securities is determined based on the bid price from the potential buyer as the management has intended to dispose of the unquoted equity securities. Consequently, the Group recognised an impairment loss of S\$3.8 million.

#### **Non-current assets**

##### ***Property, plant and equipment***

The property, plant and equipment consisted office renovation, office equipment, furniture and fittings.

##### ***Intangible assets***

These items represent goodwill arising from consolidation amounting to S\$1.1 million and franchise rights of S\$465,000.

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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### **Current Liabilities**

#### ***Trade and other payables***

As at 30 June 2016, trade and other payables comprised of trade payables of S\$4.5 million, other payables of S\$4.1 million and accrued operating expenses of S\$800,000.

#### ***Current income tax liabilities***

As at 30 June 2016, the Group recorded income tax payable of S\$88,000.

### **Non-current liabilities**

#### ***Other payable***

Due to the change in circumstances, certain terms and conditions of the sales and purchase agreement of the available-for-sale financial assets would not be met. In view that the constructive obligation arising from the acquisition of the available-for-sale financial assets is no longer probable, the amount of other payable was consequently reversed to income statement.

#### ***Provisions***

The provisions relate to the Group's obligation to reinstate leased premises to its original condition upon termination of the leases and is based on the Group's experience in similar situation.

#### ***Deferred income tax liabilities***

The deferred tax liabilities are recognised for the fair value of intangible assets derived upon the acquisition of subsidiary corporations during the financial year ended 30 June 2016.

### **Equity**

#### ***Shareholders' equity***

As at 30 June 2016, shareholders' equity amounted to S\$34.4 million, comprising of S\$161.3 million of share capital. This balance was offset by translation reserve of S\$16.0 million and accumulated losses of S\$110.9 million.

### **Review of balance sheet as at 30 June 2017**

#### **Current assets**

##### ***Cash and cash equivalents***

As at 30 June 2017, the Group's cash and cash equivalents mainly comprised cash at bank.

##### ***Financial assets, at fair value through profit and loss***

The financial assets, at fair value through profit or loss as at 30 June 2017 consisted of investment in quoted securities that offer the Group the opportunity for return through dividend income and fair value gains.

##### ***Trade and other receivables***

Trade and other receivables as at 30 June 2017 mainly consisted of:

- (i) trade receivables of S\$4.6 million;
  - (ii) balance of purchase consideration due from the purchaser of HMSC Group of S\$2.4 million;
- and

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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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(iii) working capital loan of S\$5.5 million granted to 中房集团联合投资.

### ***Other current assets***

Other current assets as at 30 June 2017 mainly comprised of utilities deposits of S\$232,000 and prepaid operating expenses of S\$167,000.

### ***Available-for-sale financial assets***

This consists of a 22.3% equity interest in a company engaged in mineral mining industry. The Group has classified the investment in this company as available-for-sale financial assets, as the Group does not have a significant influence over the company.

Fair value of the unquoted equity securities is determined based on the bid price from the potential buyer as the management has the intention to dispose of the unquoted equity securities.

### **Non-current assets**

#### ***Property, plant and equipment***

The property, plant and equipment consisted of office renovation, office equipment, furniture and fittings.

#### ***Intangible assets***

These items represent goodwill arising from consolidation amounting to S\$1.0 million and franchise rights of S\$72,000.

### **Current Liabilities**

#### ***Trade and other payables***

As at 30 June 2017, trade and other payables comprised of trade payables of S\$4.7 million, other payables of S\$163,000 and accrued operating expenses of S\$339,000.

#### ***Current income tax liabilities***

As at 30 June 2017, The Group recorded income tax payable of S\$16,000.

### **Non-current liabilities**

#### ***Provisions***

The provisions relate to the Group's obligation to reinstate leased premises to its original condition upon termination of the leases and is based on the Group's experience in similar situation.

#### ***Deferred income tax liabilities***

The deferred tax liabilities are recognised for the fair value of intangible assets derived upon the acquisition of subsidiary corporations during the previous financial year ended 30 June 2016.

### **Equity**

#### ***Shareholders' equity***

As at 30 June 2017, shareholders' equity amounted to S\$27.9 million, comprising of S\$161.3 million of share capital. This balance was offset by translation reserve of S\$15.9 million and accumulated losses of S\$117.5 million.

## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

### 3. Statements of Cash Flow

The audited consolidated statements of cash flow of the Group for FY2015, FY2016 and FY2017 are set out below:

	FY2015 S\$'000 (restated)	FY2016 S\$'000 (restated)	FY2017 S\$'000
<b>Cash flows from operating activities</b>			
Total loss	(2,254)	(97,690)	(6,588)
Adjustments for:			
Income tax expense/(credit)	15	(3)	72
Interest expense	51	19	-
Interest income	(215)	(297)	(268)
Dividend income	-	(207)	(662)
Depreciation of property, plant and equipment	16	92	260
Plant, plant and equipment written-off	11	59	119
Amortisation of intangible assets	-	51	122
Loss on disposal of subsidiary corporations	-	93,735	377
Impairment loss on available-for-sale financial assets	-	3,794	-
Reversal of other payable	-	(4,000)	-
Reclassification from other comprehensive income	-	(492)	-
Unrealised currency translation losses	-	28	-
	(2,376)	(4,911)	(6,568)
Changes in working capital, net of effects from acquisition and disposal of subsidiary corporations			
Trade and other receivables	(947)	(6,244)	427
Inventories and development expenditure	1,580	84	-
Other current assets	47	(548)	(25)
Financial assets, at fair value through profit or loss	(3,515)	(2,645)	(688)
Trade and other payables	444	7,412	9,778
Cash (used in)/generated from operations	(4,767)	(6,852)	2,924
Income tax paid, net	(14)	(9)	(79)
Interest received	215	127	-
<b>Net cash (used in)/provided by operating activities</b>	(4,566)	(6,734)	2,845
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	(149)	(51)	(418)
Purchase of available-for-sale financial assets	(2,000)	-	-
Acquisition of subsidiary corporations, net of cash acquired	-	584	-
Disposal of subsidiary corporations, net of cash disposed of	-	(2,612)	(14,313)
Dividends received	-	207	662
<b>Net cash used in investing activities</b>	(2,149)	(1,872)	(14,069)

## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

	FY2015 S\$'000 (restated)	FY2016 S\$'000 (restated)	FY2017 S\$'000
<b>Cash flows from financing activities</b>			
Proceeds from issuance of ordinary shares	-	12,969	-
Share issue expenses	-	(351)	-
Proceeds from issuance of ordinary shares pursuant to exercise of warrants	4,621	1,006	9
Increase in pledged short term bank deposits	(248)	-	-
Repayment of finance lease liabilities, net	(74)	(17)	-
Interest paid	(30)	(19)	-
<b>Net cash from financing activities</b>	<b>4,269</b>	<b>13,588</b>	<b>9</b>
Net (decrease)/increase in cash and cash equivalents	(2,446)	4,982	(11,215)
<b>Cash and cash equivalents</b>			
Beginning of financial year	11,158	7,318	12,078
Effects of currency translation on cash and cash equivalents	(1,394)	(222)	335
<b>End of financial year</b>	<b>7,318</b>	<b>12,078</b>	<b>1,198</b>

A review of the cash flow position for the Group for FY2015, FY2016 and FY2017 is set out below:

### FY2015

The net cash used in operating activities of S\$4.6 million resulted from an operating loss before working capital changes of S\$2.4 million and a negative change in working capital of S\$2.4 million. These items were offset by interest income earned totaling S\$215,000.

The net cash used in investing activities of S\$2.2 million arose mainly from the purchase of available-for-sale financial assets.

The net cash from financing activities of S\$4.3 million arose mainly from the proceeds from the exercise of warrants.

As at 30 June 2015, cash and cash equivalents amounted to S\$7.3 million.

### FY2016

The net cash used in operating activities of S\$6.7 million resulted from an operating loss before working capital changes of S\$4.9 million and a negative change in working capital of S\$1.9 million. These items were offset by interest income earned totaling S\$127,000.

The net cash used in investing activities of S\$1.9 million was mainly arose from disposal of subsidiary corporations. These items were offset by cash inflow from acquisition of subsidiary corporations and dividend income received.

The net cash from financing activities of S\$13.6 million arose mainly from the proceeds from the 2015 Rights cum Warrant Issue as well as the exercise of warrants.

As at 30 June 2016, cash and cash equivalents amounted to S\$12.1 million.

## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

### FY2017

The net cash provided by operating activities of S\$2.9 million resulted from a positive change in working capital of S\$9.5 million. It was offset by an operating loss before working capital changes of S\$6.6 million and income tax paid amounting to S\$79,000.

The net cash used in investing activities of S\$14.1 million was mainly attributable to the cash outflow from the disposal of subsidiary corporation of S\$14.3 million.

As at 30 June 2016, cash and cash equivalents amounted to S\$1.2 million.

#### 4. Working Capital

The working capital of the Group as at 30 June 2015, 30 June 2016, 30 June 2017 and 31 December 2017 are set out below:

	<b>As at 30 June 2015 S\$'000 Audited</b>	<b>As at 30 June 2016 S\$'000 Audited</b>	<b>As at 30 June 2017 S\$'000 Audited</b>	<b>As at 31 December 2017 S\$'000 Unaudited</b>
Total current assets	45,219	42,188	31,643	21,611
Total current liabilities	9,896	9,617	5,221	15,562
Net working capital	35,323	32,571	26,422	6,049

A review of the working capital of the Group as at 30 June 2015, 30 June 2016, 30 June 2017 and 31 December 2017 is set out below:

#### As at 30 June 2015 compared to 30 June 2014

The decrease in net working capital of S\$3.1 million from S\$38.4 million as at 30 June 2014 to S\$35.3 million as at 30 June 2015 was due to the decrease in cash and cash equivalent of S\$11.2 million and decrease in assets of disposal group classified as held-for-sale of S\$2.5 million. The decrease was partly offset by the increase in financial assets, at fair value through profit or loss of S\$2.5 million and the decrease in bank borrowings of S\$6.9 million.

#### As at 30 June 2016 compared to 30 June 2015

The decrease in net working capital of S\$2.7 million from S\$35.3 million as at 30 June 2015 to S\$32.6 million as at 30 June 2016 was due to the decrease in assets of disposal group classified as held-for-sale of S\$26.4 million and the increase in trade and other payables of S\$9.5 million. The decrease was partly offset by the increase in cash and cash equivalents of S\$7.8 million, increase in financial assets at fair value through profit or loss of S\$1.9 million, increase in trade and other receivables of S\$11.3 million, increase in available-for-sale financial assets of S\$2 million and the decrease in liabilities directly associated with disposal group classified as held-for-sale of S\$9.8 million.

#### As at 30 June 2017 compared to 30 June 2016

The decrease in net working capital of S\$6.2 million from S\$32.6 million as at 30 June 2016 to S\$26.4 million as at 30 June 2017 was due to the decrease in cash and cash equivalent of S\$10.9 million. The decrease was partly offset by the increase in financial assets, at fair value through profit or loss of S\$688,000, and the decrease in trade and other payables of S\$4.3 million.



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## APPENDIX A – FINANCIAL INFORMATION AND REVIEW OF PAST PERFORMANCE

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### **As at 31 December 2017 compared to 30 June 2017**

The decrease in net working capital of S\$20.4 million from S\$26.4 million as at 30 June 2017 to S\$6 million as at 31 December 2017 was due to the decrease in financial assets at fair value through profit or loss of S\$13.2 million, the decrease in trade and other receivables of S\$1.8 million and the increase in trade and other payables of S\$13.4 million. The decrease was partly offset by the increase in cash and cash equivalents of S\$4.4 million.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200609901H)

#### NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms in this Notice which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 28 May 2018.

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of the shareholders (the “**Shareholders**”) of Asia-Pacific Strategic Investments Limited (the “**Company**”) will be held at Antica I, Level 2, Orchard Parade Hotel, 1 Tanglin Road, Singapore 247905 on 21 June 2018 at 11.00 a.m. for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolutions.

#### **SPECIAL RESOLUTION 1: THE PROPOSED CHANGE OF NAME OF THE COMPANY TO CHINA REAL ESTATE GRP LTD.**

That:

- (a) the name of the Company be changed from “Asia-Pacific Strategic Investments Limited” to “China Real Estate Grp Ltd.” and that the name “China Real Estate Grp Ltd.” be substituted for “Asia-Pacific Strategic Investments Limited”; and
- (b) any of the Directors be and is hereby authorised to complete and to do all acts and things as he may consider necessary or expedient for the purposes of or in connection with, and to give effect to the matters referred to in paragraph (a) of this resolution as he shall think fit and in the interests of the Company.

#### **ORDINARY RESOLUTION 2: THE RIGHTS CUM WARRANTS ISSUE**

That the renounceable non-underwritten rights issue of up to 47,928,572,362 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at the issue price of \$0.002 for each Rights Share, and up to 47,928,572,362 free detachable warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one (1) new ordinary share (“**Warrant Share**”) in the capital of the Company at an exercise price of \$0.002 for each Warrant Share, on the basis of two (2) Rights Shares for every one (1) existing ordinary share in the capital of the Company held by the Shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined (the “**Books Closure Date**”), and one (1) Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded (“**Rights cum Warrants Issue**”), be and is hereby approved and authority be and is hereby given to the Board of Directors of the Company to:

- (a) create and issue:
  - (i) such number of Rights Shares as the Directors may determine up to 47,928,572,362 Rights Shares at an issue price of \$0.002 for each Rights Share;
  - (ii) such number of Warrants as the Directors may determine up to 47,928,572,362 Warrants in registered form to be issued together with the Rights Shares, each such Warrant to entitle the holder thereof to subscribe for one (1) Warrant Share at an exercise price of \$0.002 for each Warrant Share at any time during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the Warrants subject to the terms and conditions of the deed poll (the “**Deed Poll**”) constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may deem fit; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (iii) such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);
- (b) provisionally allot and to issue up to 47,928,572,362 Rights Shares with up to 47,928,572,362 Warrants at an issue price of \$0.002 for each Rights Share on the basis of two (2) Rights Shares for every one (1) existing ordinary share in the capital of the Company held by the Shareholders of the Company as at the Books Closure Date, and one (1) free Warrant for every one (1) Rights Share, fractional entitlements to be disregarded; and
- (c) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
  - (i) up to 47,928,572,362 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank *pari passu* in all respects with the then existing shares of the Company (save as may otherwise be provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the record date for which falls before the date of issue of the Warrant Shares; and
  - (ii) on the same basis as paragraph (c)(i) above, such further new ordinary shares in the capital of the Company as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (a)(iii) above,

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

- (a) the provisional allotments of the Rights Shares with Warrants under the Rights cum Warrants Issue shall be made on a renounceable basis to the Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited (“**CDP**”) as at the Books Closure Date with registered addresses in Singapore or who have, at least three (3) market days prior to the Books Closure Date, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents, on the basis of two (2) Rights Shares for every one (1) existing ordinary share in the capital of the Company then held by the Shareholders, and one (1) Warrant for every one (1) Rights Share subscribed or in such other proportions as the Directors may deem fit;
- (b) no provisional allotment of the Rights Shares with Warrants shall be made in favour of Shareholders with registered addresses outside Singapore as at the Books Closure Date or who have not, at least three (3) market days prior thereto, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
- (c) the entitlements to the Rights Shares with Warrants which would otherwise accrue to Foreign Shareholders shall be disposed of by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the rights entitlements relating thereto to Purchasers thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than \$10.00, such amount shall instead be retained or dealt with for the sole benefit of the Company;
- (d) the entitlements to the Rights Shares with Warrants not taken up or allotted for any reason (other than allotments to Foreign Shareholders referred to above) shall be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (e) the Rights Shares when issued and fully paid up will rank *pari passu* in all respects with the then existing ordinary shares in the capital of the Company save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of issue of the Rights Shares,

and the Directors be and are hereby authorised to take such steps, do all such acts and things, make such amendments to the terms of the Rights Shares and Warrants and exercise such discretion as the Directors may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

By Order of the Board  
**ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**

Yap Wai Ming  
Company Secretary

Singapore, 28 May 2018

### NOTES:

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend in his stead. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each proxy.
2. Pursuant to Section 181 of the Companies Act, Chapter 50 of Singapore, any member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at the EGM. A Relevant Intermediary is either:
  - (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
  - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
  - (c) the Central Provident Fund (“CPF”) Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building Singapore 048544 not less than 48 hours before the time appointed for holding of the EGM. In the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

### PERSONAL DATA PRIVACY

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

## PROXY FORM

### ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Registration No. 200609901H)  
(Incorporated in the Republic of Singapore)

### PROXY FORM

(Please see notes overleaf before completing this Form.)

#### IMPORTANT

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

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a member/members of **ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED** (the "Company") hereby appoint:

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

and/or (delete as appropriate)

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

or failing \*him/her/them, the Chairman of the Extraordinary General Meeting of the Company as \*my/our proxy/proxies to vote for \*me/us on \*my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at Antica 1, Level 2, Orchard Parade Hotel, 1 Tanglin Road, Singapore 247905 on 21 June 2018 at 11.00 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Extraordinary General Meeting. In the absence of specific directions, the proxy/proxies may vote or abstain from voting as he/they may think fit on any other matter arising at the Extraordinary General Meeting.)

		For	Against
Special Resolution 1	To approve the Change of Name		
Ordinary Resolution 2	To approve the Rights cum Warrants Issue		

**Note:** Please note that the short descriptions given above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the Notice of Extraordinary General Meeting for the full purpose and intent of the Resolutions to be passed.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Total Number of Shares in:	No. of Shares
CDP Register	
Register of Members	

\_\_\_\_\_  
Signature(s) of member(s) or Common Seal

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



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# PROXY FORM

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## Notes:

1. Please insert the total number of Shares you hold. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the register of Shareholders of our Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the register of Shareholders, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the register of Shareholders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares in the capital of the Company held by you.
  2. A member of the Company who is not a Relevant Intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his behalf at the Extraordinary General Meeting. The proxy need not be a member of the Company.
  3. Where a member appoints more than one proxy, the member must specify the proportions of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the shareholdings of his appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
  4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise rights attached to a different share or shares held by him (which number or class of shares shall be specified).
  5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Extraordinary General Meeting.
  6. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building Singapore 048544, not less than 48 hours before the time appointed for holding of the Extraordinary General Meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.
  7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
  8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
  9. An investor who holds shares under the Central Provident Fund Investment Scheme (“CPF Investor”) may attend and cast his vote(s) at the Meeting in person. CPF who are unable to attend the Extraordinary General Meeting but would like to vote may inform their CPF to appoint the Chairman of the Extraordinary General Meeting to act as their proxy, in which case, the CPF shall be precluded from attending the Extraordinary General Meeting.
- \* A Relevant Intermediary is:-
- (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
  - (b) a capital markets services licence holder which provides custodial services for securities and holds shares in that capacity; and
  - (c) Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

## General

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

## Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 28 May 2018.

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