

CIRCULAR DATED 13 OCTOBER 2018

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

This Circular is issued by Falcon Energy Group Limited (the “**Company**”). If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your ordinary shares in the capital of the Company, please forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form immediately to the purchaser or to the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or to the transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.



FALCON ENERGY GROUP LIMITED

(Company Registration No. 200403817G)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

SALE AND LEASEBACK OF NON-CORE ASSETS

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	28 October 2018 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	30 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting and other extraordinary general meeting of the Company to be held on the same day and at the same place)
Place of Extraordinary General Meeting	:	TRN Centre, 10 Anson Road #19-14 International Plaza Singapore 079903

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DEFINITIONS

The following definitions apply throughout this Circular unless otherwise stated:

“Aggregate Consideration”	:	The sum of S\$13,205,500 being the sale consideration for the Proposed Disposal
“Announcement”	:	The announcement made by the Company on 4 September 2018 in relation to the Proposed Disposal
“Annual Report 2018”	:	The Company’s Annual Report for 2018
“Approvals”	:	All approvals, consents, licences, permits, waivers and exemptions for the Proposed Disposal
“Board”	:	The board of Directors of the Company for the time being
“Business Day”	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 13 October 2018
“Company”	:	Falcon Energy Group Limited
“Companies Act”	:	Companies Act (Cap. 50) of Singapore
“Completion”	:	The completion of the sale and purchase of the Properties
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating practice of the company
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the issued share capital of the Company; or (b) in fact exercises Control over the Company
“Directors”	:	The directors of the Company as at the date of this Circular
“EGM”	:	Extraordinary General Meeting
“EPS”	:	Earnings per share
“ETIPL”	:	Elite Trading & Investment Pte. Ltd.
“FY”	:	Financial year ended or ending 30 June (as the case may be)
“Group”	:	The Company and its subsidiaries as at the date of this Circular
“KIPL”	:	Kupac Investments Pte. Ltd.
“Lease Agreements”	:	The four (4) lease agreements for the leaseback of the Properties by the Company from the Purchaser to be entered into between the Purchaser and the Company upon completion of the Proposed Disposal

“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“NAV”	:	Net asset value
“Non-Executive Directors”	:	The non-executive Directors of the Company, as the case may be
“NTA”	:	Net tangible assets
“Options to Purchase”	:	The four (4) options to purchase entered into between the Vendor and the Purchaser on 21 July 2018 in relation to the Proposed Disposal
“Ordinary Resolution”	:	The ordinary resolution to be passed by Shareholders at the EGM to be convened for Shareholders to approve the Proposed Disposal
“Properties”	:	Units #33-01/01A/14/15/16 of 10 Anson Road, International Plaza, Singapore 079903
“Proposed Disposal”	:	The proposed disposal of the Properties to the Purchaser on the terms and conditions of the Options to Purchase
“Purchaser”	:	Kupac Investments Pte. Ltd. and/or its nominee “Elite Trading & Investment Pte. Ltd.”
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares as set out in the register of members of the Company, except where the registered depositor is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person (including a corporation) who holds directly or indirectly 5% or more of the total issued voting Shares of in the Company
“Supplemental Deeds”	:	The four (4) supplemental deeds to the Options to Purchase entered into by the Vendor and Purchaser on 12 October 2018 to vary the terms of the Options to Purchase
“Vendor”	:	Longzhu Oilfield Services (S) Pte Ltd, a subsidiary of the Company
“S\$” or “cents”	:	Singapore dollars and cents, respectively
“UOB”	:	United Overseas Bank Limited
“US\$”	:	United States dollars
“%” or “per cent.”	:	Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the same meanings ascribed to them, respectively, in Section 130A of the Companies Act. The term “Subsidiary” shall have the same meaning ascribed to it in Section 5 of the Companies Act.

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

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

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

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

LETTER TO SHAREHOLDERS

FALCON ENERGY GROUP LIMITED

(Incorporated in the Republic of Singapore)
Company Reg. No. 200403817G

Directors

Tan Pong Tyea	<i>Chairman and Chief Executive Officer</i>
Cai Wenxing	<i>Executive Director</i>
Lien Kait Long	<i>Non-Executive and Lead Independent Director</i>
Mak Yen-Chen Andrew	<i>Non-Executive and Independent Director</i>
Tan Sooh Whye	<i>Alternate Director to Tan Pong Tyea</i>
Cai Wenting	<i>Alternate Director to Cai Wenxing</i>

Registered Office

10 Anson Road
#33-15
International Plaza
Singapore 079903

To: The Shareholders of Falcon Energy Group Limited

Dear Sir/Madam

SALE AND LEASEBACK OF NON-CORE ASSETS

1. INTRODUCTION

1.1 Background

On 4 September 2018, the Company (and together with its subsidiaries, the “**Group**”) announced (the “**Announcement**”) that its subsidiary, Longzhu Oilfield Services (S) Pte. Ltd. (the “**Vendor**”), had on 21 July 2018 entered into four (4) options to purchase (“**Options to Purchase**”) with Kupac Investments Pte. Ltd. (“**KIPL**”) and/or its nominee “Elite Trading & Investment Pte. Ltd.” (“**ETIPL**”, and together with KIPL, the “**Purchaser**”) in relation to the sale of the office premises located at Units #33-01/01A/14/15/16 of 10 Anson Road, International Plaza, Singapore 079903 (each a “**Property**”, and collectively referred to as the “**Properties**”), held by the Vendor to the Purchaser for an aggregate consideration of S\$13,205,500 (the “**Aggregate Consideration**”) (the “**Proposed Disposal**”). The Proposed Disposal is expected to be completed on 8 November 2018, or such other date(s) as the Vendor and Purchaser may mutually agree in writing. In addition, on 12 October 2018, the Vendor and the Purchaser entered into four (4) supplemental deeds (the “**Supplemental Deeds**”) to the Options to Purchase to vary the terms of the Options to Purchase for purposes of Rule 1019(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”).

As the relative figure computed pursuant to Rule 1006(c) of the Listing Manual exceeds 20%, the Proposed Disposal is classified as a major transaction and pursuant to Rule 1014(2) of the Listing Manual must be made conditional upon approval by shareholders in general meeting.

The SGX-ST assumes no responsibility for the accuracy for any statements or opinions made or reports contained in this Circular.

1.2 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to, and to seek Shareholders’ approval for, the Proposed Disposal at the EGM to be held on 30 October 2018.

2. SALIENT TERMS OF THE PROPOSED DISPOSAL

2.1 Information on the Vendor

The Company, through its wholly-owned subsidiary, Falcon Oilfield Services Pte. Ltd., holds 1,777,815 out of 3,435,100 issued and fully-paid up shares in the Vendor, representing 51.75% of the total issued and fully-paid up shares in the Vendor as at the date of this Circular. The remaining shareholders are Terasa-Star International Shipping Pte Ltd (holding 20.38% of the shares), Cai Wenxing (holding 7.28% of the shares) and Cai Wenting (holding 20.59% of the shares). Cai Wenxing and Cai Wenting are also directors of the Company.

The principal activities of the Vendor include acting as shipping agencies for offshore oilfields, explorations, construction and marine transportations.

2.2 Information on the Purchaser

KIPL is a private company incorporated in Singapore, having its registered office address at 21 Sampan Place, #17-05 Riveredge, Singapore 436593. KIPL's shareholders are Chetan Kumar S/O Mulchand Ambalal Parikh, Mrs. Darshana Chetan Parikh and Parikh Kunali Chetan, who are not related to any Directors or Controlling Shareholders of the Company.

ETIPL is a private company incorporated in Singapore, having its registered office address at 101 Cecil Street, #23-03 Tong Eng Building, Singapore 069533. ETIPL's shareholders are Rajesh Natvarlal Gandhi, Bagaria Rajan, Iyengar Vijaykumar Gopalan, Mahesh Kumar Patodia, Bharat Mekani, Mody Atish Jitendra and Jaime Chong Meow Chuen, who are not related to any Directors or Controlling Shareholders of the Company.

2.3 Information on the Properties

Each Property is a leasehold property with a 99-year lease commencing 2 June 1970, with a remaining lease period of approximately 50 years and 9 months as at the date of the Announcement. The Properties consist of five office units in a 50-storey commercial and residential building and have an aggregate gross floor area of approximately 658 square metres.

In relation to each of the Properties:

- (a) units #33-01 and #33-16 are currently being used as the office premises of CH Offshore Ltd;
- (b) units #33-14 and #33-15 are currently being used as the office premises of the Company and
- (c) unit #33-01A was sub-let to Xing Marine Lubricants Pte Ltd (Reg. No. 201214590C) (an unrelated third party).

Prior to the Proposed Disposal, the legal and beneficial interest, rights, powers and benefits of the Group in relation to the Properties were held by the Vendor.

There currently is a mortgage over the Properties in favour of United Overseas Bank Limited ("**UOB**").

2.4 Aggregate Consideration

The Aggregate Consideration for the Proposed Disposal is S\$13,205,500. The Aggregate Consideration was arrived at based on arm's length negotiations and on a willing-buyer and willing-seller basis, after taking into account, *inter alia*, prevailing market conditions, past transaction prices of units in International Plaza from January 2017 to June 2018 based on information provided by the Urban Redevelopment Authority of Singapore and the current market prices of the properties in the surrounding vicinity of the Properties. Each Property is sold on as "as is where is" basis.

The Aggregate Consideration will be fully satisfied in cash and will be paid by the Purchaser to the Company in the following manner:

- (a) a sum of S\$132,055 payable upon the date of the Options to Purchase;
- (b) a further sum of S\$528,220 payable on 16 August 2018; and
- (c) the balance of the Aggregate Consideration being S\$12,545,225 (which is equivalent to 95% of the amount of the Aggregate Consideration) payable upon completion of the Proposed Disposal.

The grant and exercise of each of the Options to Purchase by the Vendor shall only be effective immediately after the conclusion of the EGM to be convened by the Company to obtain Shareholders' approval for the Proposed Disposal, provided that Shareholders' approval is obtained at that EGM.

2.5 Book Value of the Properties

Based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2018 ("**FY2018 Financial Statements**"), the book value attributable to the Proposed Disposal is approximately US\$9,584,637.25. The excess of the proceeds of the Proposed Disposal over the book value attributable to the Proposed Disposal, being the gain on disposal, is approximately US\$106,050.36.

2.6 Salient terms of the Options to Purchase

Conditions Precedent

The Proposed Disposal shall be completed at the office of the Vendor's solicitors on 8 November 2018, or such other date(s) as the Vendor and Purchaser may mutually agree in writing, PROVIDED THAT:

- (a) The Properties are sold on as 'en bloc basis' and completion shall be in respect of all (and not some only) of the Properties;
- (b) The Purchaser shall not be entitled to require the Vendor to complete the sale of the Properties unless the Purchaser is ready, able and willing to complete the purchase of all the Properties in accordance with the provisions of the Options to Purchase; and
- (c) A failure of the Purchaser to complete the purchase of all of the Properties shall be deemed to be a failure by the Purchaser to complete the purchase of any of the Properties.

The Proposed Disposal shall be subject to the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications for interpretation plans to the various government departments as stated in the Options to Purchase.

Completion

The Proposed Disposal is expected to be completed on 8 November 2018, or such other date(s) as the Vendor and Purchaser may mutually agree in writing.

2.7 Proposed Leaseback

Following the completion of the Proposed Disposal, the Purchaser and the Company will be entering into four (4) lease agreements ("**Lease Agreements**") for the leaseback of the Properties by the Company from the Purchaser for a lease term of twenty-four (24) months commencing from 9 November 2018 ("**Proposed Leaseback**"). The leases will be subject to an option to renew for another twelve (12) months upon mutually agreed rates and terms between the Company and the Purchaser.

The aggregate monthly rental to be paid by the Company to the Purchaser under the Lease Agreements is S\$46,030.60.

3. RATIONALE FOR THE PROPOSED DISPOSAL

In the light of the severe and protracted downturn in the global oil and gas industry and the depressed offshore marine and subsea industry, the Group considers the Proposed Disposal to be a strategic decision for the benefit of the Group as it will allow the Vendor to repay the Vendor's outstanding amounts under credit facilities granted by UOB. This is aimed at reducing the Group's current financial liabilities and borrowings.

4. USE OF PROCEEDS

After deducting related fees and expenses of approximately S\$150,000, the net proceeds from the Proposed Disposal of approximately S\$13,055,500, will be applied towards settlement of outstanding amounts under credit facilities granted by UOB.

5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

5.1 Illustrative Nature of Financial Effects

The financial effects of the Proposed Disposal on the net tangible assets ("NTA") per share and earnings per share ("EPS") of the Group, prepared based on the FY2018 Financial Statements are set out below. The financial effects are purely for illustrative purposes only and are therefore not necessarily indicative of the actual financial position of the Group after completion of the Proposed Disposal.

5.2 NTA

Assuming the Proposed Disposal had been completed on 30 June 2018, being the end of the most recently completed financial year of the Group, the financial effects on the NTA per share of the Group would be as follows:

	Before the Disposal	After the Disposal
NTA (US\$ million)	97.01	87.43
No. of issued ordinary shares ('000)	876,631	876,631
NTA per share (US cents)	11.07	9.97

5.3 EPS

Assuming the Proposed Disposal had been completed on 1 July 2017, being the beginning of the most recently completed financial year of the Group, the profit attributable to the Shareholders and the financial effects on the EPS of the Group for FY2018 would be as follows:

	Before the Disposal	After the Disposal
Profit/(Loss) attributable to the Shareholders (US\$ million)	(76.44)	(76.33)
Weighted average no. of ordinary shares – Basic ('000)	832,289	832,289
EPS/(Loss Per Share) (US cents) – Basic	(9.18)	(9.17)

6. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

6.1 Major Transaction

Rule 1014 of the Listing Manual provides that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a major transaction and requires the approval of the Shareholders.

6.2 Relative Figures

The relative figures in relation to the Proposed Disposal, computed on the applicable bases set out in Rule 1006 of the Listing Manual, are as follows:

Rule 1006	Bases	Percentage (%) ⁽¹⁾
(a)	The net asset value of the assets to be disposed of compared with the Group's net asset value	9.88% ⁽²⁾
(b)	The net profits attributable to the assets disposed of, compared with the Group's net profits	Not Applicable
(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	45.90% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not Applicable

Notes:

- (1) The relative figures set out in this column are calculated based on FY2018 Financial Statement.
- (2) Computed based on the net asset value of the Properties of US\$9.58 million, compared to the Company's net asset value of US\$97.01 million.
- (3) Computed based on the Aggregate Consideration compared to the market capitalisation of the Company on 20 July 2018, being the last market day preceding the date the Options of Purchase were executed, of approximately S\$28.75 million. The market capitalisation is calculated on the basis of the total number of the Company's shares in issue, being 876,631,475, multiplied by the weighted average price of such shares transacted on 20 July 2018, being the last market day preceding the date the Options of Purchase were executed.

As the relative figure computed pursuant to Rule 1006(c) of the Listing Manual exceeds 20%, the Proposed Disposal is classified as a major transaction and requires the approval of the Shareholders.

7. DETAILS OF ANY SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company or any of its subsidiaries in connection with the Proposed Disposal.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for Cai Wenxing and Cai Wenting who are directors of the Vendor, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal or the Proposed Leaseback. None of the Directors or Controlling Shareholders of the Company is related to the Purchaser.

9. ABSTENTION FROM VOTING

Cai Wenxing and Cai Wenting, shall abstain, and procure that their associates and nominees will abstain, from voting on the Ordinary Resolution as set out in the Notice of EGM.

Each of Cai Wenxing and Cai Wenting and their associates will also refrain from accepting nominations as proxy or otherwise to vote at the EGM in respect of the Ordinary Resolution as set out in the Notice of EGM unless Shareholders appointing them as proxies give specific instructions in the relevant proxy forms on the manner in which they wish their votes to be cast.

10. DIRECTORS' RECOMMENDATION

Having considered and reviewed, amongst others, the terms of the Options to Purchase, Lease Agreements, the rationale for and the financial effects of the Proposed Disposal, and all other relevant facts set out in this Circular, the Directors are of the opinion that the Proposed Disposal and the Proposed Leaseback are in the best interests of the Company. Accordingly, except for Cai Wenxing and Cai Wenting who are not making a recommendation given their interest in the Proposed Disposal and Proposed Leaseback as set out in paragraph 8 above, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution set out in the Notice of EGM.

11. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 11 of this Circular, will be held at TRN Centre, 10 Anson Road #19-14, International Plaza, Singapore 079903 on Tuesday, 30 October 2018 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the notice of EGM.

12. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf must 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 arrive at the Company's registered office at 10 Anson Road, #33-15 International Plaza, Singapore 079903 not less than 48 hours before the time fixed for the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM to speak and vote thereat unless his name appears in the Depository Register as at 72 hours before the EGM.

13. 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 enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

14. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 10 Anson Road, #33-15 International Plaza, Singapore 079903, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Constitution of the Company;
- (b) the Annual Report 2018;
- (c) the Options to Purchase;
- (d) the Supplemental Deeds; and
- (e) the forms of the Lease Agreements.

Yours faithfully
For and on behalf of the Board

Tan Pong Tyea
Chairman and Chief Executive Officer
Falcon Energy Group Limited

FALCON ENERGY GROUP LIMITED

(Company Registration No. 200403817G)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of **FALCON ENERGY GROUP LIMITED** (the “Company”) will be held at TRN Centre, 10 Anson Road #19-14, International Plaza, Singapore 079903 on Tuesday, 30 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting and other extraordinary general meeting of the Company to be held on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

ORDINARY RESOLUTION:

SALE AND LEASEBACK OF NON-CORE ASSETS

That:

- (a) approval be and is hereby given for the Proposed Disposal (as defined in the circular to shareholders dated 13 October 2018 (“Circular”));
- (b) the entry by the Company into the Options to Purchase (as defined in the Circular) in relation to the Proposed Disposal, on the terms and subject to the conditions set out in the Options to Purchase, the performance by the Company of its obligations under the Options to Purchase and the completion of the Proposed Disposal in accordance with the Options to Purchase be and are hereby approved and confirmed;
- (c) approval be and is hereby given for the Proposed Leaseback (as defined in the Circular); and
- (d) the Directors of the Company be and are hereby authorised to do all acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the interest of the Company, in connection with the Proposed Disposal and/or the Proposed Leaseback, or the transactions contemplated by the Proposed Disposal and/or the Proposed Leaseback, or to give effect to this Ordinary Resolution.

By Order of the Board
Falcon Energy Group Limited

Peh Lei Eng
Company Secretary
Singapore
13 October 2018

Notes:

- (1) A member of the Company entitled to attend and vote at the EGM of the Company is entitled to appoint a proxy or proxies to attend and vote in his stead. A shareholder of the Company which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a shareholder of the Company.
- (2) Where a member (other than a Relevant Intermediary*) appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- (3) A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

- (4) The instrument appointing a proxy must be duly deposited at the registered office of the Company at 10 Anson Road, #33-15 International Plaza, Singapore 079903 not later than 48 hours before the time appointed for the holding of the EGM.
- (5) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
- (6) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

FALCON ENERGY GROUP LIMITED

(Company Registration No. 200403817G)
(Incorporated in the Republic of Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

Important:

1. For investors who have used their CPF monies to buy the Falcon Energy Group Limited shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We _____ (Name) _____ (NRIC/Passport Number)

of _____ (Address)

being a shareholder/shareholders* of Falcon Energy Group Limited (the "Company") hereby appoint:

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

and/or

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

or failing him/her, the Chairman of the Extraordinary General Meeting ("EGM") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM of the Company to be held at TRN Centre, 10 Anson Road #19-14, International Plaza, Singapore 079903 on Tuesday, 30 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting and other extraordinary general meeting of the Company to be held on the same day and at the same place), and at any adjournment thereof.

Resolution	Number of Votes For**	Number of Votes Against**
To approve and confirm: (a) the Proposed Disposal (as defined in the circular to shareholders dated 13 October 2018 ("Circular"); (b) the entry by the Company into the Options to Purchase (as defined in the Circular) in relation to the Proposed Disposal, on the terms and subject to the conditions set out in the Options to Purchase, the performance by the Company of its obligations under the Options to Purchase and the completion of the Proposed Disposal in accordance with the Options to Purchase be and are hereby approved and confirmed; and (c) the Proposed Leaseback (as defined in the Circular).		

* Delete accordingly

** If you wish to exercise all your votes "For" or "Against", please indicate an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the EGM

Dated this _____ day of _____ 2018

Total number of Shares held:

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

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in 81SF of the Securities and Futures Act (Cap. 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members of the Company, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the EGM is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a shareholder of the Company.
3. Where a member (other than a Relevant Intermediary*) appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
5. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 10 Anson Road #33-15 International Plaza Singapore 079903 not less than 48 hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a shareholder of the Company may, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
9. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument 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 if a shareholder of the Company, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
11. Terms not defined herein shall have the meanings ascribed to them in the Company's Circular to the Shareholders dated 13 October 2018.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) 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, 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 member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.