

Vallianz Holdings Limited
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PROPOSED SET-OFF AND SETTLEMENT OF OWINGS OF THE GROUP BY WAY OF SUBSCRIPTION OF RIGHTS SHARES WITH WARRANTS, EXERCISE OF WARRANTS AND SUBSCRIPTION OF NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of Vallianz Holdings Limited (the “**Company**”, and together with its subsidiaries and associated companies, the “**VHL Group**”) refers to the circular (the “**Circular**”) to the shareholders of the Company (“**Shareholders**”) dated 29 September 2016 and the announcement of the Company dated 13 October 2016 in respect of, amongst others, (a) the Rights cum Warrants Issue; (b) the participation of Rawabi Holding Company Limited (“**RHCL**”) in the Rights cum Warrants Issue and the set-off and settlement of amounts owing by the Company to RHCL in connection therewith on terms set out in the Circular; and (c) the participation of Swiber Holdings Limited (Judicial Managers Appointed) (“**SHL**”) in the Rights cum Warrants Issue and the set-off and settlement of amounts owing by the Company to SHL in connection therewith on and subject to the terms and conditions of a set-off and settlement agreement to be entered into between the Company and SHL. Unless otherwise defined, all capitalised terms and references used herein shall have the same meaning ascribed to them in the Circular.
- 1.2 The Board wishes to announce that the Company has, on 24 May 2017, entered into:
- (a) a set-off and settlement agreement with SHL and Swiber Offshore Construction Pte. Ltd. (Judicial Managers Appointed) (“**SOC**”) (“**SHL SOSA**”) in relation to SHL’s participation in the Rights cum Warrants Issue as well as the set-off and settlement of amounts owing as between the SHL Group (as defined in Paragraph 1.3(a) of this Announcement) and the VHL Group, on and subject to the terms and conditions of the SHL SOSA; and
 - (b) a set-off and settlement agreement with RHCL (the “**RHCL SOSA**”) in relation to RHCL’s participation in the Rights cum Warrants Issue as well as the set-off and settlement of amounts owing by the Company to RHCL, on and subject to the terms and conditions of the RHCL SOSA (which supersedes the Irrevocable Undertaking (as referred to in the Circular), the supplemental agreement thereto dated 23 January 2017 as announced by the Company on 24 January 2017 and the Set-Off and Settlement Agreement (as referred to in the Circular)).
- 1.3 As at the date hereof:
- (1) USD36,566,316.45 (the “**VHL Group Owings**”) is owing by the VHL Group (excluding SHL and any other entities within the SHL Group) to SHL, its subsidiaries and associated companies (excluding the Company and any other entities within the VHL Group) (the “**SHL Group**”), including USD29,393,692.12 owing by the Company to SHL (the “**VHL Owings**”); and
 - (2) USD102,087,467.21 (the “**RHCL Advances**”) is owing by the Company to RHCL.

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2. PRINCIPAL TERMS OF THE SHL SOSA

Pursuant to and subject to the terms of the SHL SOSA, the Company, SHL and SOC have agreed, amongst others, as follows:

2.1 Subscription for Rights Shares with Warrants

- (a) subject to the fulfillment or waiver of the SHL SSA Conditions Precedent (as defined in Paragraph 2.2 of this Announcement) and GSO Conditions Precedent (as defined in Paragraph 2.4 of this Announcement), SHL shall subscribe (the “**SHL Subscription**”) in full for its *pro rata* entitlement (to the extent not subject of Renunciation (as defined in Paragraph 2.1(e) of this Announcement) of the Rights Shares with Warrants in accordance with the terms and conditions of the Rights cum Warrants Issue, and upon such subscription, the actual aggregate issue price payable by SHL to the Company for the SHL Subscription (the “**SHL Actual Subscription Amount**”) shall be set-off and settled against the VHL Owing to the extent of the SHL Actual Subscription Amount (the “**SHL Subscription Set-Off and Settlement Arrangement**”);

First exercise of Warrants

- (b) subject to the fulfillment or waiver of the SHL WSA Conditions Precedent (as defined in Paragraph 2.3 of this Announcement) and the GSO Conditions Precedent, SHL shall exercise the Warrants issued to SHL (the “**First SHL Warrants Exercise**”) insofar as:
 - (i) the aggregate exercise price payable by SHL to the Company on such exercise is equivalent to or does not exceed the S\$ equivalent of the VHL Owing less the SHL Actual Subscription Amount (“**Balance VHL Owing**”); and
 - (ii) such exercise will not result in SHL and persons acting in concert with it holding Shares representing more than 29.9% of the voting rights of the Company immediately following such exercise,

and upon such exercise, the actual aggregate exercise price payable by SHL shall be set-off and settled against the Balance VHL Owing to the extent of such aggregate exercise price payable by SHL;

Novation and Assignment of owings

- (c) subject to the fulfillment or waiver of the applicable GSO Conditions Precedent and as soon as practicable after the First SHL Warrants Exercise (or such other date as may be agreed in writing between the Company, SHL and SOC):
 - (i) SHL shall enter into, and shall use reasonable endeavours to procure the SHL Group entities to enter into novation and assignment arrangements in respect of the owings of the SHL Group entities to the VHL Group entities; and

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- (ii) the Company shall enter into, and shall use reasonable endeavours to procure the VHL Group entities to enter, novation and assignment arrangements in respect of the owings of the VHL Group entities to the SHL Group entities,

(each of such novation and assignment being referred to herein as a “**Novation and Assignment**”) such that the Company assumes the liability of such owings of the VHL Group entities (“**Novated VHL Group Owings**”) as well as the benefit of such owings of the SHL Group entities (“**Novated SHL Group Owings**”) whereas SHL assumes the liability of Novated SHL Group Owings as well as the benefit of Novated VHL Group Owings, and thereafter, the Novated SHL Group Owings are to be set-off and settled against Novated VHL Group Owings to the extent of Novated SHL Group Owings;

Subsequent exercise of Warrants

- (d) subject to the fulfillment or waiver of the SHL WSA Conditions Precedent and the GSO Conditions Precedent, SHL shall further exercise Warrants issued to SHL (the “**Subsequent SHL Warrants Exercise**”) insofar as:
 - (i) the aggregate exercise price payable by SHL to the Company on such exercise is equivalent to or does not exceed the S\$ equivalent of the excess of Novated VHL Group Owings over Novated SHL Group Owings (such excess being “**Novated Net VHL Owing**”); and
 - (ii) such exercise will not result in SHL and persons acting in concert with it holding Shares representing more than 29.9% of the voting rights of the Company immediately following such exercise,

and upon such exercise, such aggregate exercise price payable by SHL shall be set-off and settled against the Novated Net VHL Owing to the extent of such aggregate exercise price payable by SHL;

Restrictions on renunciation of provisional allotment of Rights Shares with Warrants

- (e) SHL shall be entitled to renounce all or part its provisional allotment(s) of Rights Shares with Warrants to third party(ies) (the “**Renunciation**”) (the “**Third Party Subscriber(s)**”), provided that:
 - (i) SHL procures the undertaking by such Third Party Subscriber(s) to subscribe in full for the provisional allotment(s) of Rights Shares with Warrants so renounced by SHL to such Third Party Subscriber(s) and exercise the Warrants issued to such Third Party Subscriber(s), insofar as such exercise will not result in each of such Third Party Subscriber(s) and persons acting in concert with it holding Shares representing more than 29.9% of the voting rights of the Company immediately following such exercise;

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- (ii) SHL assigns to such Third Party Subscriber(s) the VHL Owing and/or (if any) Novated VHL Net Owings (or any part thereof) the S\$ equivalent of which does not exceed the aggregate of the issue price and exercise price (the **"Third Party Aggregate Issue and Exercise Amount"**) payable by such Third Party Subscriber(s) for subscribing for the renounced provisional allotment(s) of Rights Shares with Warrants and exercising such Warrants issued to such Third Party Subscriber(s) in full; and
- (ii) SHL procures that the Third Party Subscriber(s) undertake to the Company that the Third Party Aggregate Issue and Exercise Amount will be fully set-off and settled against such part of the VHL Owing and/or (if any) Novated VHL Net Owings being assigned by SHL to the Third Party Subscriber(s); and

Issuance of Additional SHL Shares

- (f) subject to the fulfillment or waiver of the Additional SHL Share Issuance Conditions Precedent (as defined in Paragraph 3.4.1 of this Announcement), further new Shares (**"Additional SHL Shares"**) may be issued by the Company to SHL in settlement of VHL Group Owings to the extent not settled pursuant to the SHL Set-Off and Settlement Arrangements and Group Set-Offs (as defined below), in the circumstances and on terms set out in Paragraph 3 of this Announcement.

For purposes of this Announcement:

- (1) the First SHL Warrants Exercise and Subsequent SHL Warrants Exercise are collectively referred to as the **"SHL Warrants Exercises;"**
- (2) the actual aggregate exercise price payable by SHL to the Company in respect of the SHL Warrants Exercises is referred to as the **"SHL Actual Exercise Amount;"**
- (3) each set-off and settlement of Novated SHL Group Owings against Novated VHL Group Owings to the extent of Novated SHL Group Owings is referred to as a **Group Set-Off;** and
- (4) the set-off and settlement arrangements in respect of the settlement of the exercise price payable by SHL to the Company on exercise of Warrants are collectively referred to as the **"SHL Warrants Exercise Set-Off and Settlement Arrangement"**, which together with SHL Subscription Set-Off and Settlement Arrangement are collectively referred to as the **"SHL Set-Off and Settlement Arrangements."**

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2.2 SHL SSA Conditions Precedent

The SHL Subscription and the SHL Subscription Set-Off and Settlement Arrangement are conditional upon the conditions precedent applicable thereto as indicated in column A of the table in Annex 1 to this Announcement ("**SHL SSA Conditions Precedent**") being satisfied, or waived in accordance with the SHL SOSA, on or before the SHL SSA Long Stop Date (as defined in Paragraph 2.5(a) of this Announcement).

2.3 SHL WSA Conditions Precedent

Any SHL Warrants Exercise(s) and the SHL Warrants Exercise Set-Off and Settlement Arrangement are conditional upon the conditions precedent applicable thereto as indicated in column B of the table in Annex 1 to this Announcement ("**SHL WSA Conditions Precedent**") being satisfied, or waived in accordance with the SHL SOSA, on or before such time that such SHL Warrants Exercise is undertaken by SHL pursuant to the SHL SOSA and the SHL Warrants Exercise Set-Off and Settlement Arrangement in relation thereto is effected in accordance with the SHL SOSA.

2.4 GSO Conditions Precedent

Each Novation and Assignment and each Group Set-Off are conditional upon the conditions precedent applicable thereto as indicated in column C of the table in Annex 1 to this Announcement ("**GSO Conditions Precedent**") being satisfied, or waived in accordance with the SHL SOSA on or before such Novation and Assignment and Group Set-Off are effected in accordance with the SHL SOSA.

2.5 Long Stop Dates

- (a) In the event that any of the SHL SSA Conditions Precedent is not fulfilled or waived in accordance with the SHL SOSA (as the case may be) on or before the closing date of the Rights cum Warrants Issue or such other date as the parties may mutually agree in writing (the "**SHL SSA Long Stop Date**"), the SHL SOSA (other than the agreed surviving provisions) shall lapse and terminate.
- (b) In the event that:
 - (i) any of the SHL WSA Conditions Precedent, with respect to the First SHL Warrants Exercise, is not fulfilled or waived in accordance with the SHL SOSA (as the case may be) on or before the date on which the period during which the Warrants may be exercised under the terms of the Rights cum Warrants Issue ("**Warrants Exercise Period**") shall expire (the "**Warrants Expiry Date**") or such other date as the parties may mutually agree in writing ("**SHL WSA Long Stop Date**"), the provisions of the SHL SOSA that are applicable to any SHL Warrants Exercise and the SHL Warrants Exercise Set-Off and Settlement Arrangement shall cease to have further effect; and

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- (ii) any of the SHL WSA Conditions Precedent, with respect to each Subsequent SHL Warrants Exercise, is not fulfilled or waived in accordance with the SHL SOSA (as the case may be) on or before the SHL WSA Long Stop Date, the provisions of the SHL SOSA that are applicable to any SHL Warrants Exercise and the SHL Warrants Exercise Set-Off and Settlement Arrangement insofar as they relate to such Subsequent SHL Warrants Exercise, shall cease to have further effect.
- (c) In the event that any of the GSO Conditions Precedent (as applicable in respect of any Novation and Assignment or Group Set-Off (as the case may be)) is not fulfilled or waived in accordance with the SHL SOSA (as the case may be) on or before the Warrants Expiry Date or such other date as the parties may mutually agree in writing ("**GSO Long Stop Date**"), the provisions of the SHL SOSA that are applicable to such Novation and Assignment or Group Set-Off (as the case may be) shall cease to have further effect.

For the purposes of this Announcement, "**SHL Long Stop Dates**" refers to the SHL SSA Long Stop Date, SHL WSA Long Stop Date and GSO Long Stop Date, and "**SHL Long Stop Date**" refers to any of the SHL Long Stop Dates.

2.6 Reservation of and no prejudice to rights of the Company and SHL

Nothing in the SHL SOSA nor its termination shall prejudice, affect or vary (a) the parties' respective legal positions regarding the Netting Off Practice (as defined below) (if any); or (b) the rights of the VHL Group entities and the SHL Group entities in respect of or arising under the Netting Off Practice (if any), which are expressly reserved by the VHL Group entities and the SHL Group entities, unless the settlement of all owings between the SHL Group and the VHL Group is fully effected by the SHL SOSA.

For the purposes of this Announcement, "**Netting Off Practice**" refers to the practice, as described by the Company in its announcement dated 31 August 2016, of conducting business on an extended credit basis as well as a netting off basis which includes the netting off of owings as between VHL Group entities and SHL Group entities.

2.7 Undertaking to vote at extraordinary general meeting of the Company

- (a) SHL shall, for so long as it holds Shares, vote, at the extraordinary general meeting of the Company to be convened ("**Subsequent VHL EGM**"), in favour of the resolutions to approve (a) the RHCL SOSA and the issuance of the Additional RHCL Shares (as defined in Paragraph 4.1(c) of this Announcement) to RHCL and (b) the RHCL Debts Settlement Whitewash Resolution (as defined below) ("**SHL Voting Undertaking**").

For the purposes of this Announcement, "**RHCL Debts Settlement Whitewash Resolution**" means the proposed resolution to be passed at the extraordinary general meeting to be convened by the Company, by independent shareholders for the waiver of their rights to receive a mandatory general offer for the shares in the capital of the Company from RHCL and persons acting in concert with it as a result of RHCL's acquisition of the Additional RHCL Shares.

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- (b) The SHL Voting Undertaking is subject to and conditional upon the following conditions being satisfied, or waived in accordance with the provision of the SHL SOSA, before the Subsequent VHL EGM:-
- (i) the receipt by SHL of a written confirmation by DBS Bank Ltd. that it has no objections to SHL voting, at the Subsequent VHL EGM, in favour of the resolutions to approve (a) the RHCL SOSA and the issuance of the Additional RHCL Shares to RHCL and (b) the RHCL Debts Settlement Whitewash Resolution ("**DBS Voting Confirmation**"), and where such DBS Voting Confirmation is subject to conditions, such conditions being acceptable to SHL, and if such conditions are required to be fulfilled, such conditions being fulfilled, and such DBS Voting Confirmation remaining valid and in full force and effect and not being withdrawn or amended; and
 - (ii) the SHL Voting Undertaking (in whole or in part) not being prohibited, restricted, curtailed, hindered, impaired or otherwise adversely affected by any statute, law, order, rule, regulation, ruling, directive, decision, requirement or request promulgated or made, whether or not having the force of law, by any court or legislative, executive or regulatory body or authority (including without limitation the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and Securities Industry Council ("**SIC**")), including without limitation any objections to such voting by the SGX-ST and/or SIC and any requests by the SGX-ST and/or SIC to abstain from voting).

3. ISSUE OF ADDITIONAL SHL SHARES PURSUANT TO THE SHL SOSA

3.1 Proposed issue of Additional SHL Shares

Pursuant to the SHL SOSA and with a view towards settlement of any VHL Group Owings to the extent not settled pursuant to the SHL Set-Off and Settlement Arrangements and Group Set-Offs :

- (a) Following any Novation and Assignment and the Group Set-Off in relation thereto ("**Relevant GSO**"), in the event that the S\$ equivalent of the aggregate of the VHL Owing and the Aggregate Novated VHL Net Owings (as defined below) exceeds the Maximum Aggregate Price (as defined below) (such excess amount being referred to as the "**Aggregate Excess VHL Amount**"), subject to the Additional SHL Share Issuance Conditions Precedent being fulfilled, or waived in accordance with the SHL SOSA (as the case may be), and also subject to the other terms of the SHL SOSA, SHL shall subscribe for, and the Company shall issue to SHL such number of Additional SHL Shares to the extent that the aggregate issue price payable by SHL to the Company for such Additional SHL Shares is equivalent to or does not exceed the S\$ equivalent of the Relevant Excess VHL Amount (as defined below).

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- (b) Notwithstanding Paragraph 3.1(a) above, in the event that any part of (i) the VHL Owing or (ii) the Novated VHL Net Owings up to an amount equivalent to the difference between the Maximum Aggregate Price and the VHL Owing which remains owing by the Company to SHL following the Warrants Expiry Date (or such other date as the Company and SHL may agree) (such amount(s) which remain owing being referred to as the **“Unutilised VHL Owings”**), subject to the Additional SHL Share Issuance Conditions Precedent being fulfilled, or waived in accordance with the SHL SOSA (as the case may be), and also subject to the other terms of the SHL SOSA, SHL shall subscribe for, and the Company shall issue to SHL, such number of Additional SHL Shares to the extent that the aggregate issue price payable by SHL to the Company for such Additional SHL Shares is equivalent to or does not exceed the S\$ equivalent of the Unutilised VHL Owings.

For the purposes of this Announcement:-

- (1) **“Aggregate Novated VHL Net Owings”** means in respect of a Relevant GSO, the aggregate of (i) the Novated VHL Net Owings arising from such Relevant GSO and (ii) the Novated VHL Net Owings arising from all antecedent Novation and Assignments and the Group Set-Offs in relation thereto undertaken prior to such Relevant GSO (if any);
- (2) **“Maximum Aggregate Price”** means the aggregate of:-
- (i) the SHL Actual Subscription Amount payable for the SHL Subscription (in full); and
 - (ii) the SHL Actual Exercise Amount payable in respect of the exercise of all the SHL Warrants; and
- (3) **“Relevant Excess VHL Amount”** shall mean the difference between:-
- (i) the Aggregate Excess VHL Amount immediately following the Relevant GSO; and
 - (ii) the Aggregate Excess VHL Amount immediately prior to the Relevant GSO.

3.2 Relevant Issue Price

The issue price for each Additional SHL Share (the **“Relevant Issue Price”**) shall be:-

- (a) in the case where there is an Aggregate Excess VHL Amount as referred to in Paragraph 3.1(a) of this Announcement:
- (i) (in respect of the first USD8,000,000 of the Aggregate Excess VHL Amount) S\$0.02; or

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- (ii) (in respect of that portion of the Aggregate Excess VHL Amount that exceeds USD8,000,000), equivalent to the volume weighted average price of the Shares over the ten (10) market days immediately preceding the date on which such Relevant GSO is effected; and
- (b) in the case where there are Unutilised VHL Owings as referred to in Paragraph 3.1(b) of this Announcement, S\$0.02.

The Relevant Issue Prices under Paragraphs 3.2(a)(i) and 3.2(b) above, i.e. S\$0.02, represent a premium of approximately 19.76 % to the volume weighted average price of S\$0.0167 for trades done on the Catalist board of the SGX-ST on 19 May, being the full market day on which Shares were traded prior to the trading halt and signing of the SHL SOSA.

3.3 Proposed set-off and settlement of outstanding owings

- (a) In the case where there is an Aggregate Excess VHL Amount as referred to in Paragraph 3.1(a) of this Announcement:
 - (i) SHL shall subscribe for, and the Company shall issue to SHL such number of Additional SHL Shares to the extent that the aggregate issue price payable by SHL to the Company for such Additional SHL Shares is equivalent to or does not exceed the S\$ equivalent of the Relevant Excess VHL Amount; and
 - (ii) in such event, the aggregate issue price payable by SHL for the subscription of such Additional SHL Shares shall be deemed to be fully set-off and settled against the Aggregate Excess VHL Amount to the extent of the USD equivalent of such aggregate issue price, on the date of the listing and quotation of such Additional SHL Shares on the Catalist board of the SGX-ST ("**Excess VHL Amount Settlement Date**").
- (b) In the case where there are Unutilised VHL Owings as referred to in Paragraph 3.1(b) of this Announcement:
 - (i) SHL shall subscribe for, and the Company shall issue to SHL such number of Additional SHL Shares to the extent that the aggregate issue price payable by SHL to the Company for such Additional SHL Shares is equivalent to or does not exceed the S\$ equivalent of the Unutilised VHL Owings; and
 - (ii) in such event, the aggregate issue price payable by SHL for the subscription of such Additional SHL Shares shall be deemed to be fully set-off and settled against the Unutilised VHL Owings to the extent of the USD equivalent of such aggregate issue price, on the date of the listing and quotation of such Additional SHL Shares on the Catalist board of the SGX-ST ("**Unutilised VHL Owings Settlement Date**").

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3.4 Additional SHL Share Issuance Conditions Precedent

- 3.4.1 Each subscription for Additional SHL Shares by SHL and each of the set-off and settlement arrangements contemplated under Paragraph 3.3 of this Announcement are conditional upon the conditions precedent applicable thereto as indicated in column D of the table in Annex 1 to this Announcement ("**Additional SHL Share Issuance Conditions Precedent**") being satisfied, or waived in accordance with the SHL SOSA (as the case may be), on or before such time that such subscription is undertaken and such set-off and settlement arrangement is effected in accordance with the SHL SOSA.
- 3.4.2 Subject to applicable laws and regulations and the listing rules of the SGX-ST, SHL may in its sole and absolute discretion waive (in whole or in part) any of the Additional SHL Share Issuance Conditions Precedent.

3.5 Long Stop Date

In the event that any of the Additional SHL Share Issuance Conditions Precedent or any set-off and settlement arrangement contemplated under Paragraph 3.3 of this Announcement is not fulfilled or waived in accordance with the SHL SOSA (as the case may be) on or before the date falling six (6) months after the Warrants Expiry Date (or such other date as the parties may mutually agree in writing), the provisions of the SHL SOSA that are applicable to the issue of the Additional SHL Shares to SHL or set-off and settlement arrangement contemplated under Paragraph 3.3 of this Announcement (as the case may be) shall cease to have further effect.

3.6 Shareholder approval for issue of Additional SHL Shares

The Company will be:

- (a) seeking specific approval from the shareholders of the Company at the extraordinary general meeting to be convened by the Company for the issuance of the Additional SHL Shares to SHL pursuant to such subscription and such set-off and settlement arrangements; and
- (b) (in the event that such issuance results in SHL and persons acting in concert with it being obliged to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company) seeking approval from the independent shareholders of the Company for the SHL Debts Settlement Whitewash Resolution (as defined below).

For the purposes of this Announcement, "**SHL Debts Settlement Whitewash Resolution**" refers to the resolution to be passed at the extraordinary general meeting to be convened by the Company, by independent shareholders for the waiver of their rights to receive a mandatory general offer for the shares in the capital of the Company from SHL and persons acting in concert with it as a result of SHL's acquisition of Additional SHL Shares pursuant to the SHL SOSA.

4. **PRINCIPAL TERMS OF THE RHCL SOSA**

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Pursuant to and subject to the terms of the RHCL SOSA, the Company and RHCL have agreed, amongst others, as follows:

4.1 Subscription for Rights Shares with Warrants

- (a) Subject to the fulfillment or waiver of the RHCL SSA Conditions Precedent (as defined in Paragraph 4.2 of this Announcement), RHCL shall subscribe (the “**RHCL Subscription**”) in full for:
- (i) its *pro rata* entitlement of the Rights Shares with Warrants; and
 - (ii) subject to availability, the additional Rights Shares with Warrants which remain unsubscribed by shareholders, being in excess of RHCL’s provisional allotment under the Rights cum Warrants Issue,

in accordance with the terms and conditions of the Rights cum Warrants Issue, and subject to such subscription, the actual aggregate issue price payable by RHCL to the Company for the RHCL Subscription (the “**RHCL Actual Subscription Amount**”) shall be set-off and settled against the RHCL Advances to the extent of the RHCL Actual Subscription Amount (the “**RHCL Subscription Set-Off and Settlement Arrangement**”);

Exercise of Warrants

- (b) subject to the fulfillment or waiver of the RHCL WSA Conditions Precedent (as defined in Paragraph 4.3 of this Announcement), RHCL shall exercise the Warrants issued to RHCL (the “**RHCL Warrants Exercise**”) insofar as the aggregate exercise price payable by RHCL to the Company on such exercise is equivalent to or does not exceed the S\$ equivalent of the RHCL Advances less the RHCL Actual Subscription Amount (“**Balance Advances**”), and subject to such exercise, such actual aggregate exercise price payable by RHCL to the Company in respect of the RHCL Warrants Exercise (the “**RHCL Actual Exercise Amount**”) shall be set-off and settled against the Balance Advances to the extent of such aggregate exercise price payable by RHCL (the “**RHCL Warrants Exercise Set-Off and Settlement Arrangement**”);

Issuance of Additional RHCL Shares

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- (c) subject to the fulfillment or waiver of the Additional RHCL Share Issuance Conditions Precedent (as defined Paragraph 5.4.1 of this Announcement), further new Shares (“**Additional RHCL Shares**”) may be issued by the Company in settlement of RHCL Advances owing by the Company to RHCL to the extent not settled by RHCL Set-Off and Settlement Arrangements (as defined below), in the circumstances and on terms set out in Paragraph 5 of this Announcement.

For the purposes of this Announcement, the RHCL Subscription Set-Off and Settlement Arrangement and RHCL Warrants Exercise Set-Off and Settlement Arrangement are collectively referred to as “**RHCL Set-Off and Settlement Arrangements**”.

4.2 RHCL SSA Conditions Precedent

The RHCL Subscription and the RHCL Subscription Set-Off and Settlement Arrangement are conditional upon the conditions precedent applicable thereto as indicated in column A of the table in Annex 2 to this Announcement (“**RHCL SSA Conditions Precedent**”) being satisfied, or waived in accordance with the RHCL SOSA, on or before the RHCL SSA Long Stop Date (as defined in Paragraph 4.4.1 of this Announcement).

4.3 RHCL WSA Conditions Precedent

Any RHCL Warrants Exercise(s) and the RHCL Warrants Exercise Set-Off and Settlement Arrangement are conditional upon the conditions precedent applicable thereto as indicated in column B of the table in Annex 2 to this Announcement (“**RHCL WSA Conditions Precedent**”) being satisfied, or waived in accordance with the RHCL SOSA, on or before such time that such RHCL Warrants Exercise is undertaken by RHCL pursuant to the RHCL SOSA and the RHCL Warrants Exercise Set-Off and Settlement Arrangement in relation thereto is effected in accordance with the RHCL SOSA.

4.4 Long Stop Dates

- 4.4.1 In the event that any of the RHCL SSA Conditions Precedent is not fulfilled or waived in accordance with the RHCL SOSA (as the case may be) on or before the closing date of the Rights cum Warrants Issue or such other date as the parties may mutually agree in writing (the “**RHCL SSA Long Stop Date**”), the RHCL SOSA (other than the agreed surviving provisions and the provisions of the RHCL SOSA in relation to Paragraph 5 of this Announcement) shall lapse and terminate.
- 4.4.2 In the event that any of the RHCL WSA Conditions Precedent is not fulfilled or waived in accordance with the RHCL SOSA (as the case may be) on or before the Warrants Expiry Date or such other date as the parties may mutually agree in writing (“**RHCL WSA Long Stop Date**”), the provisions of this RHCL SOSA that are applicable to the RHCL Warrants Exercise and the RHCL Warrants Set-Off and Settlement Arrangement shall cease to have further effect and all obligations and liabilities of the parties under such provisions (to the extent applicable to the RHCL Warrants Exercise and the RHCL Warrants Set-Off and Settlement Arrangement) shall cease and determine.

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For the purposes of this Announcement, “**RHCL Long Stop Dates**” refers to the RHCL SSA Long Stop Date and RHCL WSA Long Stop Date, and “**RHCL Long Stop Date**” refers to any of the RHCL Long Stop Dates.

4.5 Undertaking to vote at the extraordinary general meeting of the Company

RHCL shall vote, at the extraordinary general meeting of the Company to be convened, in favour of all acts, deeds, things and documents as may be necessary to implement, give effect to, consummate, complete or procure the performance and completion of any transactions or matters contemplated in the SHL SOSA, unless RHCL is required by the SGX-ST or the SIC to abstain from voting on the same.

4.6 Undertakings by RHCL

4.6.1 Subject to the terms of the RHCL SOSA (including the fulfillment or waiver of the RHCL SSA Conditions Precedent), RHCL shall undertake the RHCL Subscription.

4.6.2 Subject to the terms of the RHCL SOSA (including the fulfillment or waiver of the RHCL WSA Conditions Precedent), RHCL shall undertake the RHCL Warrants Exercise within ten (10) business days after the commencement of the Warrants Exercise Period, insofar as the RHCL Actual Exercise Amount payable on such exercise is equivalent to or does not exceed the S\$ equivalent of the RHCL Balance Advances.

4.6.3 RHCL shall not, commencing from the date hereof, sell, transfer or otherwise dispose of, any interest in the 672,000,000 Shares (the “**Existing RHCL Shares**”) currently held by RHCL and representing approximately 15.6% of the Company’s total issued and paid-up Shares, such that RHCL’s direct and/or indirect interest in the Company as at the time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights cum Warrants Issue (“**Books Closure Date**”) be less than the Existing RHCL Shares.

4.6.4 The undertaking under Paragraph 4.6.3 of this Announcement shall automatically terminate upon the earlier of:

- (i) the Company not having announced the Rights cum Warrants Issue by 30 September 2017;
- (ii) the Rights cum Warrants Issue (if any) as announced by the Company not being completed by 31 December 2017;
- (iii) the Company having announced the Rights cum Warrants Issue and thereafter releasing an announcement of the Company’s decision not to proceed therewith, subject to the Company’s compliance with the requirement of the listing rules of the SGX-ST that the Rights cum Warrants Issue will not be withdrawn after the commencement of ex-rights trading; or
- (iv) the day immediately following the Books Closure Date.

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5. ISSUE OF ADDITIONAL RHCL SHARES PURSUANT TO THE RHCL SOSA

5.1 Proposed issue of Additional RHCL Shares

Pursuant to the RHCL SOSA and with a view to settlement of RHCL Advances to the extent not settled by RHCL Set-Off and Settlement Arrangements, upon the occurrence of any of the following events ("**Specified Events**"):

- (a) any part of the RHCL Advances remains owing by the Company to RHCL as at the date of termination of the RHCL SOSA (other than the agreed surviving provisions and the provisions of the RHCL SOSA in relation to Paragraph 5 of this Announcement) pursuant to Paragraph 4.4.1 of this Announcement;
- (b) any part of the RHCL Advances remains owing by the Company to RHCL as at the date of cessation of the relevant provisions of the RHCL SOSA referred to in, and pursuant to, Paragraph 4.4.2 of this Announcement; or
- (c) any part of the RHCL Advances remains owing by the Company to RHCL as at the date of completion of the RHCL Warrants Exercise or the Warrants Expiry Date (whichever is earlier),

(the amounts being referred to as the "**Unutilised RHCL Advances**"), the Company and RHCL agree that subject to the Additional RHCL Share Issuance Conditions Precedent being fulfilled or waived in accordance with the RHCL SOSA (as the case may be), RHCL shall subscribe for, and the Company shall issue to RHCL, within ten (10) Business Days of occurrence of such Specified Event, Additional RHCL Shares.

5.2 Additional RHCL Share issue price

The issue price for each Additional RHCL Share shall be S\$0.02, which represents a premium of approximately 19.76% to the volume weighted average price of S\$0.0167 for trades done on the Catalist board of the SGX-ST on 19 May 2017, being the full market day on which Shares were traded prior to the trading halt and signing of the RHCL SOSA.

5.3 Proposed set-off and settlement of outstanding owings

- (a) RHCL shall subscribe for, and the Company shall issue to RHCL such number of Additional RHCL Shares to the extent that the aggregate issue price payable by RHCL to the Company for such Additional RHCL Shares is equivalent to the S\$ equivalent of the Unutilised RHCL Advances.

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- (b) In such event, the aggregate issue price payable by RHCL to the Company on such subscription shall be deemed to be fully set-off and settled against the Unutilised RHCL Advances to the extent of the USD equivalent of such aggregate issue price on the date of completion of such issue of the Additional RHCL Shares by the Company to RHCL (“**Unutilised RHCL Advances Settlement Date**”).

5.4 Additional RHCL Share Issuance Conditions Precedent

- 5.4.1 Each subscription for Additional RHCL Shares by RHCL and each of the set-off and settlement arrangements contemplated under Paragraph 5.3 of this Announcement are conditional upon the conditions precedent applicable thereto as indicated in column C of the table in Annex 2 to this Announcement (“**Additional RHCL Share Issuance Conditions Precedent**”) being satisfied, or waived in accordance with the RHCL SOSA (as the case may be), on or before such time that such subscription is undertaken and such set-off and settlement arrangement is effected in accordance with the RHCL SOSA.
- 5.4.2 Subject to applicable laws and regulations and the listing rules of the SGX-ST, RHCL may in its sole and absolute discretion waive (in whole or in part) any of the Additional RHCL Share Issuance Conditions Precedent.

5.5 Shareholder approval for issue of Additional RHCL Shares

The Company will be:

- (a) seeking specific approval from the shareholders of the Company at the extraordinary general meeting to be convened by the Company for the issuance of the Additional RHCL Shares to RHCL pursuant to such subscription and such set-off and settlement arrangements; and
- (b) (in the event that such issuance results in RHCL and persons acting in concert with it being obliged to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company) seeking approval from the independent shareholders of the Company for the RHCL Debts Settlement Whitewash Resolution.

6 **RATIONALE FOR THE ISSUANCE OF THE ADDITIONAL SHARES AND USE OF PROCEEDS**

- 6.1 The rationale of the issue of the Additional SHL Shares and set-off and settlement arrangement contemplated under Paragraph 3.3 of this Announcement (the “**Additional SHL Share Issue and Settlement**”) is to set-off and settle VHL Group Owings to the extent not settled pursuant to the SHL Set-Off and Settlement Arrangements and Group Set-Offs whilst conserving cash reserves of the VHL Group.

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- 6.2 The maximum number of Additional SHL Shares is presently indeterminate as the same is dependent on a variety of factors, including but not limited to the extent of exercise of the SHL Warrants, the Novations and Assignments as well as the Novated VHL Net Owings. The Company will make further announcements of the number of Additional SHL Shares to be issued in the event that the circumstances relating to issuance of the Additional SHL Shares set out in Paragraph 3 of this Announcement materialise as may be appropriate and in a timely manner.
- 6.3 The rationale of the issue of the Additional RHCL Shares and set-off and settlement arrangement contemplated under Paragraph 5.3 of this Announcement (the “**Additional RHCL Share Issue and Settlement**”) is to set-off and settle RHCL Advances to the extent not settled pursuant by RHCL Set-Off and Settlement Arrangements, whilst conserving cash reserves of the VHL Group.
- 6.4 Based on the aggregate outstanding owings of the VHL Group to RHCL as contemplated under the RHCL SOSA and assuming the maximum amount of the Unutilised RHCL Advances (the “**Maximum RHCL Scenario**”), the aggregate amount of proceeds from the allotment and issue of all of the Additional RHCL Shares will be approximately S\$101,357,000, which shall be deemed to be fully set-off and settled against such Unutilised RHCL Advances to the extent of the USD equivalent of such aggregate issue price on the Unutilised RHCL Advances Settlement Date.
- 6.5 The Directors are of the opinion that, after taking into consideration the VHL Group’s present banking facilities, the Additional SHL Share Issue and Settlement and the Additional RHCL Share Issue and Settlement, the working capital available to the VHL Group is sufficient to fund its present requirements.

7. STATUS OF THE ADDITIONAL SHARES

The Additional SHL Shares and the Additional RHCL Shares, when allotted and issued, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the Shares existing as at the date of an issue and allotment of the Additional SHL Shares and Additional RHCL Shares, save that they will not rank for any dividends, rights, allotments other distributions, the record date in respect of which falls on or prior to such issue and allotment.

8. FINANCIAL EFFECTS OF THE ADDITIONAL SHARE ISSUANCES

In the event that the circumstances set out in the foregoing of this Announcement relating to the issuance of Additional SHL Shares and/or Additional RHCL Shares should materialise, the Company will provide a separate update to the Shareholders and release announcements in relation to the Additional SHL Share Issue and Settlement or the Additional RHCL Share Issue and Settlement (as the case may be), including the financial effects on the VHL Group of the Additional SHL Shares Issue and Settlement and the Additional RHCL Share Issue and Settlement (as the case may be), as may be appropriate and in a timely manner.

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9. DOCUMENTS AVAILABLE FOR INSPECTION

The SHL SOSA and the RHCL SOSA shall be made available at the registered office of the Company for inspection by the shareholders and/or any relevant authority under applicable law and listing rules of the SGX-ST, from the date of the SHL SOSA and the RHCL SOSA up to and including (i) the date falling three (3) months from the date hereof, or (ii) the date of the extraordinary general meeting of the Company to be convened to obtain approval by shareholders for, amongst others, the Rights cum Warrants Issue, whichever is later.

10. ABOUT SHL AND RHCL

- 10.1 SHL is a controlling shareholder of the Company holding 903,534,986 Shares representing approximately 20.9% of the total issued Shares. SHL is a company incorporated in Singapore and is listed on the Mainboard of the SGX-ST.
- 10.2 RHCL is a controlling shareholder of the Company holding 672,000,000 Shares representing approximately 15.6% of the total issued Shares. RHCL is a company incorporated in the Kingdom of Saudi Arabia.

11. NO PROSPECTUS, OFFER DOCUMENT OR OFFER INFORMATION STATEMENT TO BE ISSUED

The issue and allotment of the Additional SHL Shares and the Additional RHCL Shares will be undertaken in reliance on the exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus, offer document or offer information statement will be lodged with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore in connection with the Additional SHL Share Issue and Settlement and the Additional RHCL Share Issue and Settlement.

12. INTERESTS OF DIRECTORS

None of the Directors has any interest, direct or indirect, in the Additional SHL Share Issue and Settlement and the Additional RHCL Share Issue and Settlement (other than arising from their shareholdings in the Company, if any).

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

14. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this Announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company that may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Ling Yong Wah
Chief Executive Officer
24 May 2017

*This Announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Provenance Capital Pte. Ltd. ("**Sponsor**"), for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified independently the contents of this announcement.*

This Announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Announcement.

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ANNEX 1

The conditions precedents applicable to a transaction (each a “**Subject Transaction**”) contemplated under the SHL SOSA are indicated by a “X” against such Subject Transaction in the Table below.

In the Table, the Subject Transaction(s):

- (a) in respect of **Column A**, comprise(s) the SHL Subscription and the SHL Subscription Set-Off and Settlement Arrangement;
- (b) in respect of **Column B**, comprise(s) the SHL Warrants Exercise(s) and the SHL Warrants Exercise Set-Off and Settlement Arrangement;
- (c) in respect of **Column C**, comprise(s) the Novation(s) and Assignment(s) and Group Set-Off(s); and
- (d) in respect of **Column D**, comprise(s) Additional SHL Share Issuance and Settlement.

No.	Description of conditions precedent	Subject Transaction(s) in respect of:			
		A	B	C	D
1.	The approval of the shareholders of SHL for such Subject Transaction in accordance with the terms of the SHL SOSA being obtained at an extraordinary general meeting to be convened by SHL, and such shareholders’ approval remaining in full force and effect and not having been revoked or varied.	X	X		X
2.	All approvals, consents and/or waivers from any third parties (including without limitation any regulatory authorities and any creditors of SHL) for such Subject Transaction(s) which SHL, and if such Subject Transaction be a Subject Transaction referred to in Column C of this Table, which SOC and/or the relevant SHL Group entities ,in its/their sole and absolute discretion consider to be necessary or desirable to be obtained (“ SHL Relevant Third Party Approvals ”), being granted to SHL, SOC and/or all other SHL Group entities (as the case may be), and where any such Relevant Third Party Approvals are subject to conditions, such conditions being acceptable to SHL, SOC and/or the relevant SHL Group entities (as the case may be) and if such conditions are required to be fulfilled before such Subject Transaction is to be undertaken, such conditions being fulfilled before such Subject Transaction is undertaken, and such SHL Relevant Third Party Approvals remaining valid and in full force and effect and not being withdrawn or amended.	X	X	X	X
3.	Such Subject Transaction not being prohibited, restricted, curtailed, hindered, impaired or otherwise adversely affected by any statute, law, order, rule, regulation, ruling, directive, decision or request promulgated or made, whether or not having the force of law, by any court or legislative, executive or regulatory body or authority (including without limitation the SGX-ST and SIC).	X	X	X	X

No.	Description of conditions precedent	Subject Transaction(s) in respect of:			
		A	B	C	D
4.	The receipt by SHL of a written confirmation by DBS Bank Ltd. that (i) it has no objections to the SHL Subscription and SHL Warrants Exercise, and (ii) it has no security over or any other interest in (aa) the Rights Shares and the Warrants to be issued to SHL pursuant to the SHL Subscription and (bb) the New Shares to be issued to SHL pursuant to any SHL Warrants Exercise (" DBS Confirmation "), and where such DBS Confirmation is subject to conditions, such conditions being acceptable to SHL, and if such conditions are required to be fulfilled before the SHL Subscription, such conditions being fulfilled before the SHL Subscription, and the DBS Confirmation remaining valid and in full force and effect and not being withdrawn or amended.	X			
5.	The DBS Confirmation remaining valid and in full force and effect and not being withdrawn or amended.		X		X
6.	The Rights cum Warrants Issue being undertaken by the Company on the same terms as those set out in the Circular, as amended by the terms set out in the SHL SOSA and RHCL SOSA.	X			
7.	The approval by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the New Shares to be issued upon the exercise of the Warrants, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect	X			
8.	The Warrants being listed and quoted on the Catalist board of the SGX-ST, and the approval by the SGX-ST for the listing and quotation of the New Shares to be issued upon the exercise of the Warrants, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect.		X		
9.	In the event: (a) in respect of a Subject Transaction referred to in Columns A, B and D of this Table, that trading in the Shares; and/or (b) in respect of a Subject Transaction referred to in Columns B and D of this Table, that trading in Warrants, shall at any time prior to the SHL Long Stop Date applicable thereto be suspended for any reason whatsoever, such suspension being lifted on or before the SHL Long Stop Date applicable thereto or in the event the lifting of such suspension is subject to conditions prescribed by the SGX-ST, such conditions being fulfilled before the SHL Long Stop Date applicable thereto.	X	X		X
10.	The RHCL SOSA remaining in full force and effect and not being amended, and in respect a Subject Transaction referred to (a) in Column A of this Table, RHCL and the Company complying with all the terms of the RHCL SOSA in relation to	X	X		X

No.	Description of conditions precedent	Subject Transaction(s) in respect of:			
		A	B	C	D
	the RHCL Subscription; (b) in Column B of this Table, RHCL and the Company complying with all the terms thereof which relate to the RHCL Warrants Exercise; and (c) in Column D of this Table, RHCL and the Company complying with all the terms of the RHCL SOSA.				
11.	Waiver from the SGX-ST from the requirements under Rule 1015 of the listing rules of the SGX-ST in the event that the relative figures in respect of the SHL Subscription, the SHL Warrants Exercise Set-Off and Settlement Arrangement, the issue of Additional SHL Shares (as detailed in Paragraph 3 of this Announcement) and any other Shares to be acquired which the SGX-ST may require to be aggregated pursuant to Rule 1005 of the Listing Manual, as computed on the applicable bases set out in Rule 1006 of the Listing Manual pursuant to the rules set out in Chapter 10 are 100% or more, from the perspective of SHL.		X		X
12.	The GSO Conditions Precedent being satisfied, or waived in accordance with the SHL SOSA.		X ⁽¹⁾		
13.	The agreement(s) in relation to Novation and Assignment(s) having been entered into between all the parties thereto in accordance with the SHL SOSA, and remaining in full force and effect.		X ⁽¹⁾	X ⁽²⁾	
14.	SHL being issued all the Rights Shares with Warrants less any Rights Shares with Warrants the provisional allotments of which are renounced by SHL to Third Party Subscriber(s) in accordance with the terms of the SHL SOSA, which it subscribes for pursuant to the SHL Subscription, and all of such Rights Shares and such Warrants being listed and quoted on the Catalist board of the SGX-ST.			X	X
15.	In respect of a SHL Group entity, there being no order of court (including orders for winding up and judicial management) and no legal proceedings (including winding up or judicial management applications) commenced by or against such SHL Group entity which has the effect or result of prohibiting or restricting in any manner the Novation and Assignment and/or Group Set-Off in respect of such SHL Group entity.			X	
16.	The approval of the shareholders of the Company for the issuance of the Additional SHL Shares to SHL pursuant to such subscription and such set-off and settlement arrangements (if required), and (in the event that the issuance of such Additional SHL Shares to SHL results in SHL and persons acting in concert with it being obliged to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company), the SHL Debts Settlement				X

No.	Description of conditions precedent	Subject Transaction(s) in respect of:			
		A	B	C	D
	Whitewash Resolution being obtained at an extraordinary general meeting to be convened by the Company, and such shareholders' approval remaining in full force and effect and not having been revoked or varied.				
17.	(in the event that the issuance of such Additional SHL Shares to SHL results in SHL and persons acting in concert with it being obliged to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company) the waiver to be granted by the SIC to SHL and persons acting in concert with it of their obligation to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company arising from the issuance of the Additional SHL Shares to SHL pursuant to SHL SOSA (" SHL Debts Settlement Whitewash Waiver ") being granted by SIC and all conditions imposed by SIC for the SHL Debts Settlement Whitewash Waiver being fulfilled, and the SHL Debts Settlement Whitewash Waiver remaining valid and in full force and effect and not having been revoked or varied on or before the issuance of such Additional SHL Shares.				X
18.	The approval by the SGX-ST for the listing and quotation of the Additional SHL Shares to be issued by the Company pursuant to such subscription, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect.				X
19.	The RHCL Set-Off and Settlement Arrangement having been fully effected, all the Additional RHCL Shares having been issued to RHCL, and the set-off and settlement of all Unutilised RHCL Advances having been fully effected such that none of the RHCL Advances remain outstanding.				X
20.	The receipt by SHL of a written confirmation by DBS Bank Ltd. that it has no objections to such subscription (" DBS Additional Subscription Confirmation "), and where such DBS Additional Subscription Confirmation is subject to conditions, such conditions being acceptable to SHL, and if such conditions are required to be fulfilled before such subscription, such conditions being fulfilled before such subscription, and such DBS Additional Subscription Confirmation remaining valid and in full force and effect and not being withdrawn or amended.				X

Footnotes:

- (1) Applicable only in respect of a Subject Transaction being a Subsequent SHL Warrants Exercise
- (2) Applicable only in respect of a Subject Transaction being a Novation and Assignment

ANNEX 2

The conditions precedents applicable to a Subject Transaction contemplated under the RHCL SOSA are indicated by a “X” against such Subject Transaction in the Table below.

In the Table, the Subject Transaction(s):

- (a) in respect of **Column A**, comprise(s) the RHCL Subscription and the RHCL Subscription Set-Off and Settlement Arrangement;
- (b) in respect of **Column B**, comprise(s) the RHCL Warrants Exercise and the RHCL Warrants Exercise Set-Off and Settlement Arrangement; and
- (c) in respect of **Column C**, comprise(s) the Additional RHCL Share Issuance and Settlement.

No.	Description of conditions precedent	Subject Transaction(s) in respect of:		
		A	B	C
1.	To the extent required by the constitutional documents of RHCL and such laws as may be applicable to RHCL, the approval of the shareholders of RHCL for such Subject Transaction in accordance with the terms of the SHL SOSA being obtained at an extraordinary general meeting to be convened by RHCL, and such shareholders’ approval remaining in full force and effect and not having been revoked or varied.	X	X	X
2.	Such Subject Transaction not being prohibited, restricted, curtailed, hindered, impaired or otherwise adversely affected by any statute, law, order, rule, regulation, ruling, directive, decision or request promulgated or made, whether or not having the force of law, by any court or legislative, executive or regulatory body or authority (including without limitation the SGX-ST).	X	X	X
3.	The Rights cum Warrants Issue being undertaken by the Company on the same terms as those set out in the Circular, as amended by the terms set out in the SHL SOSA and RHCL SOSA.	X		
4.	The approval by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the New Shares to be issued upon the exercise of the Warrants, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect.	X		
5.	The Warrants being listed and quoted on the Catalist board of the SGX-ST, and the approval by the SGX-ST for the listing and quotation of the New Shares to be issued upon the exercise of the Warrants, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect.		X	
6.	In the event:	X	X	

No.	Description of conditions precedent	Subject Transaction(s) in respect of:		
		A	B	C
	<p>(a) in respect of a Subject Transaction in Column A and B of this Table, that trading in the Shares; and/or</p> <p>(b) in respect only of a Subject Transaction in Column B of this Table, that trading in the Warrants,</p> <p>shall at any time prior to the RHCL Long Stop Date applicable thereto be suspended for any reason whatsoever, such suspension being lifted on or before the RHCL Long Stop Date applicable thereto or in the event the lifting of such suspension is subject to conditions prescribed by the SGX-ST, such conditions being fulfilled before the RHCL Long Stop Date applicable thereto.</p>			
7	The waiver from the requirement for RHCL to make a general offer for the Company under Rule 14 of the Code in the event that RHCL increases its aggregate shareholding in the Company to 30% or more based on the Company's enlarged issued capital as a result of the issue by the Company to RHCL, and subscription by RHCL, of the Rights Shares with Warrants or the New Shares upon exercise of the RHCL Warrants, subject to conditions, as granted by the SIC remaining valid and in full force and effect.	X	X	
8.	The approval of the shareholders of the Company who are independent of RHCL being obtained for the whitewash resolution for the waiver of the independent shareholders' rights to receive a mandatory offer from RHCL as a result of the Rights cum Warrants Issue at an extraordinary general meeting of the Company to be convened, and such approval of the independent shareholders remaining in full force and effect.	X	X	
9.	The approval of the shareholders of the Company for the issuance of the Additional RHCL Shares to RHCL pursuant to the issuance of the Additional RHCL Shares and the set-off and settlement arrangements in relation thereto (if required).			X
10.	The approval by the SGX-ST for the listing and quotation of the Additional RHCL Shares to be issued by the Company to RHCL, on the Catalist board of the SGX-ST, being granted and remaining in full force and effect.			X
11.	RHCL obtaining the approval of SIC for waiver from the requirement for RHCL to make a general offer for the Company under Rule 14 of the Code in the event that RHCL increases its aggregate shareholding in the Company to 30% or more based on the Company's enlarged issued capital as a result of the issue by the Company to RHCL, and subscription by RHCL, of the Additional RHCL Shares, subject to conditions, being granted by the SIC and remaining valid and in full force and effect.			X
12.	(in the event that the issuance of such Additional RHCL Shares to RHCL results in RHCL and persons acting in concert with it being obliged to make a mandatory general offer under Rule 14 of the Code for the shares in the capital of the Company), the			X

No.	Description of conditions precedent	Subject Transaction(s) in respect of:		
		A	B	C
	RHCL Debts Settlement Whitewash Resolution being obtained at an extraordinary general meeting to be convened by the Company, and such shareholders' approval remaining in full force and effect and not having been revoked or varied.			