

OFFER INFORMATION STATEMENT DATED 9 NOVEMBER 2016

(Lodged with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) acting as agent on behalf of the Monetary Authority of Singapore (the “Authority”), on 9 November 2016)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISOR(S) IMMEDIATELY.

The Rights Shares (as defined herein) offered are issued by Vashion Group Ltd. (the “Company”), an entity whose shares are listed for quotation on the sponsor-supervised listing platform of the SGX-ST (“Catalist”).

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Mainboard of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This offer is made in or accompanied by a copy of this offer information statement (the “Offer Information Statement” or “OIS”), together with copies of the Provisional Allotment Letter (the “PAL”), the Application Form for Rights Shares and Excess Rights Shares (as defined herein) (the “ARE”) and the Application Form for Rights Shares (the “ARS”), which has been lodged with the SGX-ST acting as agent on behalf of the Authority.

Neither the Authority nor the SGX-ST has examined or approved the contents of this OIS, the PAL, the ARE and the ARS (collectively, the “Documents”). Neither the Authority nor the SGX-ST assumes any responsibility for the contents of the Documents, including the correctness or accuracy of any of the statements or opinions made or reports contained herein. Neither the Authority nor the SGX-ST has in any way considered the merits of the securities being offered for investment. The lodgment of this Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority does not imply that the Securities and Futures Act (Chapter 289) of Singapore, or any other legal or regulatory requirements, or requirements in the SGX-ST’s listing rules, have been complied with.

An application has been made to the SGX-ST for permission for the Rights Shares to be listed for quotation on the Catalist and a listing and quotation notice has been obtained on 3 August 2016 from the SGX-ST to deal in and for the listing of and quotation for the Rights Shares on the Catalist subject to certain conditions which includes, *inter alia*, compliance with the SGX-ST’s listing requirements. The listing and quotation notice granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its Subsidiaries and their securities.

The Rights Shares will be admitted to the Catalist after the certificates relating thereto have been issued and the allotment letters from The Central Depository (Pte) Limited (“CDP”) have been despatched.

This Offer Information Statement has been prepared solely in relation to the Rights Issue and shall not be relied upon by any other person or for any other purpose.

Acceptance of applications will be conditional upon issue of the Rights Shares and upon listing of the Rights Shares on the Catalist. Monies paid in respect of any application accepted will be returned if the listing of the Rights Shares does not proceed.

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

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of Rights Shares, or allot, issue or sell any Rights Shares, on the basis of this Offer Information Statement; and no officer or equivalent person or promoter of the Company will authorise or permit the offer of any Rights Shares or the allotment, issue or sale of any Rights Shares, on the basis of this Offer Information Statement. Your attention is drawn to the section entitled “Risk Factors” under paragraph 9 of Part V (Operating and Financial Review and Prospects) of this Offer Information Statement which should be read carefully.

This OIS has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“Sponsor”), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the SGX-ST. The Company’s Sponsor has not independently verified the contents of this OIS including the correctness of any of the figures used, statements or opinions made. The Sponsor has given its written consent to the inclusion herein of its name in the form and context in which it appears in this OIS. The contact person for the Sponsor is Ms Foo Quee Yin. Telephone number: 6221 0271.

VASHION Group Ltd.

金洋環球集團有限公司

VASHION GROUP LTD.

(Company Registration No.: 199906220H)

(Incorporated in the Republic of Singapore on 12 October 1999)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 1,683,741,510 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY, AT AN ISSUE PRICE OF S\$0.0032 FOR EACH RIGHTS SHARE (AS DEFINED HEREIN), ON THE BASIS OF NINE (9) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS ISSUE”)

Manager for the Rights Issue

ASIAN CORPORATE ADVISORS PTE. LTD.

(Company Registration No. : 200310232R)

(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of “nil-paid” Rights	:	21 November 2016 at 5.00 p.m.
Last date and time for acceptance of / application for and payment for Rights Shares	:	25 November 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation and payment for Rights Shares	:	25 November 2016 at 5.00 p.m.
Last date and time for application and payment for Excess Rights Shares	:	25 November 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

* The last date and time for acceptance and/or excess application and payment through an ATM (as defined herein) of a Participating Bank (as defined herein) is 25 November 2016 at 9:30 p.m.

IMPORTANT NOTICE

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

For Entitled Depositors and their renounees, acceptances of the Rights Shares and/or applications for Excess Rights Shares may be made through CDP or by way of Electronic Applications.

For Entitled Scripholders and their renounees, acceptances of the Rights Shares and/or applications for Excess Rights Shares may be made through the Share Registrar of the Company, KCK CorpServe Pte. Ltd.

For investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for Shares using CPF Funds or funds in their SRS Accounts), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks with which they hold their SRS Accounts, respective finance companies or Depository Agents, and in the case of CPF Investors, their respective approved CPF agent banks. Such investors should provide their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances of the Rights Shares on their behalf by the Closing Date. Any acceptance of the Rights Shares made directly through CDP, the Share Registrar, by way of Electronic Application at any ATM of a Participating Bank and/or the Company will be rejected.

For CPF Investors who had purchased Shares using CPF Funds, acceptances of provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares can only be made using, subject to applicable CPF rules and regulations, their CPF Funds. In the case of insufficient CPF Funds or stock limit, CPF Investors would have to top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds cannot, however, be used for the purchase of provisional allotments of Rights Shares directly from the market.

SRS Investors who had purchased Shares using funds in their SRS Accounts and who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such SRS Investors who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks with which they hold their SRS Accounts to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. Such SRS Investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective approved banks before instructing their respective approved banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Investors should provide their respective approved banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application by the

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Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of provisional allotments of Rights Shares directly from the market.

Information herein relating to investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for Shares using CPF Funds or funds in their SRS Accounts) is provided in general terms only and such investors should consult their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks.

The Existing Shares are listed and quoted on the Catalist.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, risk factors, profits and losses, financial position and performance and prospects of the Company and/or the Group, the merits of the Rights Issue, and the rights and liabilities attaching to the “nil-paid” Rights and the Rights Shares. They should make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal, investment or tax advice. It is recommended that such persons seek professional advice from their business, financial, legal, investment, tax or other professional advisors before deciding whether to acquire any “nil-paid” Rights or the Rights Shares and/or invest in the Shares.

No person has been authorised to give any information or to make any representation, other than those contained in this Offer Information Statement in connection with the Rights Issue or the allotment and issue of the Rights Shares and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. Save as expressly stated in this Offer Information Statement, nothing contained in this Offer Information Statement is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor the issue of the “nil-paid” Rights or the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company and/or the Group or any of the information contained in this Offer Information Statement since the date of this Offer Information Statement. Where such a change occurs after the date of this OIS and is material, or is required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via the SGXNET and, if required, lodge a supplementary or replacement Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and upon the release of such announcement and/or lodgement of such supplementary or replacement document (as the case may be) shall be deemed to have notice of such changes.

None of the Company or the Manager and/or their respective officers is making any representation or warranty to any person regarding the legality of an investment in the “nil-paid” Rights Shares and/or the Rights Shares, by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal, investment or tax advice. Each prospective investor should consult his own professional advice from his business, financial, legal, investment, tax or other professional advisors regarding the legality of an investment in the “nil-paid” Rights Shares and/or the Rights Shares.

None of the Company or the Manager and/or their respective officers is making any representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the “nil-paid” Rights, the Rights Shares, the Shares, the Company and its Subsidiaries, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying

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documents shall be construed as a recommendation to accept or acquire the “nil-paid” Rights, the Rights Shares and/or the Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and/or the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely in relation to the issue of the Rights Shares and shall not be relied upon by any other persons (other than Entitled Shareholders to whom these documents have been despatched by the Company, their renouncees and Purchasers who are in each case entitled to accept and/or apply for Rights Shares in accordance with the terms and conditions of the Rights Issue), or for any other purposes.

This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purposes of, and does not constitute, an offer, invitation or solicitation by anyone in any jurisdictions or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

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

Asian Corporate Advisors Pte. Ltd., as the Manager, has given and has not withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name and all references thereto, in the form and context in which it appears in this Offer Information Statement.

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CORPORATE INFORMATION

Directors of the Company	: Mr Chan Siew Wei (Chairman, Lead Independent Director) Mr Christian Kwok-Leun Yau Heilesen (Executive Director) Mr Tan Chin Lee (Independent Director) Ms Zhou Jia Lin (Non-Executive Non-Independent Director) Mr Leung Kwok Kuen Jacob (Non-Executive Non-Independent Director)
Registered Office of the Company	: 280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322
Company Secretary	: Foo Soon Soo
Share Registrar	: KCK CorpServe Pte. Ltd. 333 North Bridge Road #08-00 KH KEA Building Singapore 188721
Manager of the Rights Issue / Sponsor	: Asian Corporate Advisors Pte. Ltd. 160 Robinson Road #21-05 SBF Center Singapore 068914
Legal Advisor to the Manager in relation to the Rights Issue	: Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Receiving Banker	: OCBC Bank 62 Chulia Street #10-00 OCBC Centre East Singapore 049514

DEFINITIONS

For the purposes of this OIS, the following terms shall, unless the context otherwise requires, have the following meanings:

CORPORATIONS AND AGENCIES

“ACRA”	:	Accounting and Corporate Regulatory Authority
“Authority”	:	The Monetary Authority of Singapore
“CDP”	:	The Central Depository (Pte) Limited
“CIMB”	:	CIMB Bank Berhad
“CNP”	:	CNP Compliance Pte. Ltd., the previous sponsor of the Company
“Company” or “Vashion”	:	Vashion Group Ltd.
“CPF Board”	:	The board of the CPF, established under the Central Provident Fund Act, Chapter 36 of Singapore, as amended, modified or supplemented from time to time
“Go Best”	:	Go Best Holdings Limited
“Grant Thornton”	:	Grant Thornton Advisory Services Pte Ltd
“Industronics”	:	Industronics Berhad
“Industrial Electronics”	:	Industrial Electronics (S) Pte Ltd, a wholly-owned subsidiary of Industronics
“JF Virtus”	:	JF Virtus Pte Ltd
“LGC”	:	Louis Gianni Company Limited
“Manager” or “ACA”	:	Asian Corporate Advisors Pte. Ltd.
“Mission Well”	:	Mission Well Limited, a Substantial Shareholder
“Moore Stephens”	:	Moore Stephens LLP
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	KCK CorpServe Pte. Ltd.
“SIC”	:	Securities Industry Council of Singapore
“SGL ”	:	Seleni Group Limited
“Stone Forest”	:	Stone Forest Corporate Advisory Pte Ltd
“SZLG”	:	Shenzhen Louis Gianni Costume Co. Ltd.
“VAM”	:	Vashion Assets Management Limited
“Vashion HK”	:	Vashion Group (H.K.) Limited

DEFINITIONS

GENERAL

“2015 Placees”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “2015 Placement” of this Offer Information Statement
“2015 Placement Agreement”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “2015 Placement” of this Offer Information Statement
“2015 Placement Shares”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “2015 Placement” of this Offer Information Statement
“2015 Supplemental Agreement”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “2015 Placement” of this Offer Information Statement
“Act” or “Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“ARE”	:	Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares of such Entitled Depositors under the Rights Issue
“ARS”	:	Application and acceptance form for Rights Shares to be issued to Purchasers in respect of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
“ATM”	:	Automated teller machine(s) of a Participating Bank
“Audit Committee”	:	Audit committee of the Company
“Board” or “Board of Directors” or “Directors”	:	The board of directors or directors of the Company as at the date of this Offer Information Statement
“Books Closure Date”	:	8 November 2016 at 5.00 p.m. (Singapore time), being the time and date at and on which the Register of Members and share transfer books of the Company were closed to determine the provisional allotments of Entitled Shareholders under the Rights Issue and, in the case of Entitled Depositors, at and on which date their provisional allotments of Rights Shares under the Rights Issue were determined
“Business Day”	:	A day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore
“Circular”	:	Circular dated 19 August 2016 issued by the Company to the Shareholders in connection with, <i>inter alia</i> , the Rights Issue
“Closing Date”	:	(i) 5.00 p.m. on 25 November 2016 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment, and renunciation and payment, of the Rights Shares under the Rights Issue through CDP or the Share Registrar (as may be applicable); or

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	(ii)	9.30 p.m. on 25 November 2016 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment of the Rights Shares under the Rights Issue through an ATM of a Participating Bank
“Code” or “Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Conditional Deposit Agreement”	:	Has the meaning ascribed thereto in paragraph 7 of Part IV (Key Information) of this Offer Information Statement
“Conditional Deposit”	:	The S\$2.5 million deposited by Industronics with the Company pursuant to the Conditional Deposit Agreement
“Constitution”	:	The constitution for the time being of the Company
“Controlling Interest”	:	The interest of the Controlling Shareholder
“Controlling Shareholder”	:	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies the above is not a Controlling Shareholder; or (b) in fact exercises control over the Company
“CPF”	:	Central Provident Fund
“CPF Approved Bank”	:	Any bank appointed by the CPF Board to be an agent bank under The Central Provident Fund (Investment Schemes) Regulations
“CPF Funds”	:	The CPF account savings of CPF members under the CPFIS-OA
“CPF Investment Account”	:	An account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn for, <i>inter alia</i> , payment to accept and/or apply for Rights Shares and/or Excess Rights Shares pursuant to the Rights Issue, as may be applicable
“CPF Investors”	:	Investors who have purchased Shares pursuant to the CPFIS
“CPFIS”	:	Central Provident Fund Investment Scheme
“CPFIS-OA”	:	CPF Investment Scheme – Ordinary Account
“Electronic Application”	:	Where applicable, acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application at ATMs set out in this Offer Information Statement or on the ATM screens

DEFINITIONS

“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
“Entitled Rights Shares”	:	An aggregate of up to 127,800,000 Rights Shares which Mission Well undertakes to subscribe for and/or procure subscription for pursuant to the Mission Well Irrevocable Undertaking
“Entitled Scripholders”	:	Shareholders whose share certificates had not been deposited with CDP and who had tendered to the Share Registrar valid transfers of their Shares and certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company were in Singapore as at the Books Closure Date or who had at least three (3) Market Days prior to Books Closure Date provided the Share Registrar with addresses in Singapore for the service of notices and documents
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPS” or “LPS”	:	Earnings/(loss) per Share
“Excess Rights Shares”	:	The provisional allotments of Rights Shares which are not taken up by the Entitled Shareholders as at the Closing Date, and which may be applied for by the Entitled Shareholders, Undertaking Shareholder and/or Undertaking Subscriber in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders
“Executives”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “Performance Bonus Shares and Revised Performance Bonus Shares” of this Offer Information Statement
“Existing Shares”	:	Shares in the capital of the Company prior to the Rights Issue comprising 187,082,390 Shares as at the Latest Practicable Date
“Existing Share Capital”	:	The existing issued and paid-up share capital of the Company comprising 187,082,390 Shares as at the Latest Practicable Date
“Foreign Purchasers”	:	Has the meaning ascribed thereto in the section entitled “Eligibility of Shareholders to Participate in the Rights Issue”
“Foreign Shareholders”	:	Shareholders whose registered addresses are outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents

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“FY”	:	Financial year ended or ending 31 December (as the case may be)
“Go Best Irrevocable Undertaking”	:	Irrevocable undertaking dated 18 July 2016 which have been given by Go Best to the Company, wherein Go Best has undertaken, <i>inter alia</i> , to subscribe and pay for in full all of Mission Well’s entitlements of 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares, as procured by Mission Well
“Group”	:	The Company and its Subsidiaries, collectively
“HY”	:	Financial period ended or ending 30 June (as the case may be)
“Irrevocable Undertakings”	:	Mission Well Irrevocable Undertaking and Go Best Irrevocable Undertaking
“Issue Price”	:	S\$0.0032 for each Rights Share
“Latest Practicable Date”	:	2 November 2016, being the latest practicable date prior to lodgment of this Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority
“LQN”	:	The listing and quotation notice obtained from the SGX-ST on 3 August 2016 for the listing of and quotation for the Rights Shares on Catalist, subject to certain conditions which includes, <i>inter alia</i> , compliance with the SGX-ST’s listing requirements
“Listing Manual” or “Catalist Rules”	:	The listing manual of the SGX-ST and in particular the Listing Manual, Section B: Rules of Catalist of the SGX-ST as amended, supplemented or modified from time to time
“Market Day(s)”	:	A day or days on which the SGX-ST is open for trading in securities
“Maximum Subscription Scenario”	:	<p>The scenario for the acceptance/application for the Rights Issue via the allotment and issue of 1,683,741,510 Rights Shares, based on the assumption that:</p> <ul style="list-style-type: none"> (a) all Entitled Shareholders (including the Undertaking Shareholder and/or the Undertaking Subscriber) accept in full their pro-rata Rights Shares entitlements based on the Existing Share Capital and pursuant to the Irrevocable Undertakings; and/or (b) any available Excess Rights Shares is validly applied for by the Undertaking Shareholder and/or the Undertaking Subscriber pursuant to the Irrevocable Undertakings and/or such other Entitled Shareholders
“Minimum Subscription Scenario”	:	The scenario for the acceptance/application for the Rights Issue based on the Existing Share Capital, subject to Scaling Provisions and approvals as may be required, and assuming that save for the Undertaking Shareholder and/or the Undertaking Subscriber, none of the other Entitled Shareholders accept their provisional allotments of any Right

DEFINITIONS

	Shares or apply for any Excess Rights Shares, an aggregate of 59,850,000 Rights Shares will be issued pursuant to the Rights Issue
“Mission Well Irrevocable Undertaking”	: Irrevocable undertaking dated 18 July 2016 which have been given by Mission Well to the Company, wherein Mission Well has undertaken, <i>inter alia</i> , to subscribe and/or procure Go Best or such other parties to subscribe and pay for in full all 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares
“NAV”	: Net asset value
“Net Proceeds”	: Net proceeds from the Rights Issue after deducting expenses for the Rights Issue
“NRIC”	: National registration identity card
“NTA”	: Net tangible asset attributable to Shareholders
“OIS” or “Offer Information Statement”	: This document issued by the Company and lodged with the SGX-ST acting as agent on behalf of the Authority in connection with the Rights Issue, and where the context requires the ARE, the ARS or the PAL (as the case may be) and all other accompanying documents, including any supplementary or replacement documents, which may be issued by the Company in respect of the Rights Issue
“Outstanding Balance”	: Has the meaning ascribed thereto in paragraph 7 of Part IV (Key Information) of this Offer Information Statement
“PAL”	: The provisional allotment letters to be issued to Entitled Scripholders setting out the provisional allotments of Rights Shares of such Entitled Scripholders under the Rights Issue
“Participating Bank”	: The bank that will be making available its ATMs to Entitled Depositors and Purchasers whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and/or applications for Excess Rights Shares, as the case may be, to be made under the Rights Issue, which is listed in Appendix IV
“PRC”	: People’s Republic of China
“Proposed Disposal of SZLG”	: Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “Proposed Disposal of SZLG” of this Offer Information Statement
“Proposed Leasing”	: The proposed leasing of a commercial property in Jakarta Timur, Indonesia, for a total consideration of S\$2,906,400 for period of 20 years
“Purchasers”	: Persons purchasing the provisional allotments of Rights Shares traded on Catalist through the book-entry (scripless) settlement system

DEFINITIONS

“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Register of Members”	:	The electronic register of members of the Company
“Rights Issue”	:	The renounceable non-underwritten rights issue of up to 1,683,741,510 Rights Shares at the Issue Price, on the basis of nine (9) Rights Shares for every one (1) Existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
“Rights Shares”	:	Up to 1,683,741,510 new Shares to be allotted and issued by the Company pursuant to the Rights Issue, and each a “Rights Share”
“Revised Performance Bonus Shares” :		Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “Performance Bonus Shares and Revised Performance Bonus Shares” of this Offer Information Statement
“Scaling Provisions”	:	The scaling down of acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares pursuant to the Rights Issue, based on the level of acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares, the Company will, if necessary, and upon approval of the SGX-ST, scale down acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares pursuant to the Rights Issue to avoid placing the relevant Shareholder and parties acting in concert with him (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code as a result of <i>inter alia</i> other Entitled Shareholders not taking up their Rights Shares entitlements fully
“Securities Account”	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“Settlement Agreement”	:	Has the meaning ascribed thereto in paragraph 9(c) of Part IV (Key Information) under “Performance Bonus Shares and Revised Performance Bonus Shares” of this Offer Information Statement
“SGXNET”	:	Singapore Exchange Network, the corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
“Shares”	:	Ordinary shares in the share capital of the Company

DEFINITIONS

“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where CDP is the registered holder, the term “Shareholder” shall, in relation to such Shares and where the context so admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Share Consolidation”	:	The consolidation of every 25 Shares held by the Shareholders of the Company as at 13 May 2016 (being, the books closure date in respect of the Share Consolidation) into one (1) Share, fractional entitlements to be disregarded, which has been approved by the Shareholders at the extraordinary general meeting dated 29 April 2016 and completed on 16 May 2016
“SRS”	:	Supplementary Retirement Scheme
“SRS Account”	:	An account opened by a participant in the SRS from which monies may be withdrawn for, <i>inter alia</i> , payment for the acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares under the Rights Issue
“SRS Investors”	:	Investors who have purchased Shares pursuant to the SRS
“Subsidiaries”	:	Corporations which are for the time being subsidiaries of the Company within the meaning of Section 5 of the Companies Act, and each a “Subsidiary”
“Substantial Shareholder”	:	A person who has an interest (directly or indirectly) in not less than five per cent. (5%) of the voting shares in the Company
“Undertaking Shareholder”	:	Mission Well
“Undertaking Subscriber”	:	Go Best or such other party as may be procured by Mission Well

CURRENCIES, UNITS AND OTHERS

“HK\$”	:	Hong Kong dollar, the currency of Hong Kong
“RMB”	:	Renminbi, the currency of the People’s Republic of China
“S\$”, “SGD” and “cents”	:	Singapore dollars and cents, respectively, the currency of Singapore
“%”	:	Per centum or percentage

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

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

DEFINITIONS

The headings in this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any references in this OIS, the PAL, the ARE and/or the ARS to any enactment are references to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, the Catalist Rules or any modification thereof and not otherwise defined in this OIS, the PAL, the ARE and/or the ARS shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act, the Catalist Rules or such modification thereof (as the case may be).

Any reference to a time of day in this OIS, the PAL, the ARE and/or the ARS shall be a reference to Singapore time unless otherwise stated. Any reference to dates and/or times in this OIS in relation to the Rights Issue (including the last dates and times for acceptance and payment, renunciation and payment, and excess application and payment) shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

References in this Offer Information Statement to “**we**”, “**our**” and “**us**” refer to the Group.

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

Any reference to an “announcement” of or by the Company in this Offer Information Statement includes announcements by the Company posted on the SGX-ST’s website at <http://www.sgx.com>.

EXPECTED TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Shares trade ex-rights	:	4 November 2016 from 9.00 a.m.
Books Closure Date	:	8 November 2016 at 5.00 p.m.
Despatch of OIS (together with the PAL, ARE and/or ARS, as the case may be) to the Entitled Shareholders	:	11 November 2016
Commencement of trading of “nil-paid” rights	:	11 November 2016 from 9.00 a.m.
Last date and time for splitting and trading of “nil-paid” rights	:	21 November 2016 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	25 November 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Last date and time for renunciation and payment for Rights Shares	:	25 November 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Last date and time for application and payment for Excess Rights Shares	:	25 November 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	5 December 2016
Expected date for crediting of Rights Shares	:	5 December 2016
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	5 December 2016
Expected date for commencement of trading of Rights Shares	:	5 December 2016

Pursuant to Rule 820(1) of the Catalist Rules, the Rights Issue will not be withdrawn after the Shares have commenced ex-rights trading. Based on the above timetable, the Shares have commenced ex-rights trading on **4 November 2016** from **9.00 a.m.**.

The above timetable is indicative only and is subject to change. As at the Latest Practicable Date, the Company does not expect the timetable to be modified. However, the Company may upon consultation with the Manager and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitation under any applicable laws or regulations. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this OIS together with the PAL or the ARE, as the case may be, and other accompanying documents at their respective addresses in Singapore. Entitled Depositors who do not receive this OIS and/or the ARE may obtain them from CDP during the period up to the Closing Date. Entitled Scripholders who do not receive this OIS and/or the PAL may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Shareholders have been provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date, fractional entitlements, if any being disregarded. Entitled Shareholders are at liberty to accept, decline, renounce (in full or in part) or in the case of Entitled Depositors only, trade on the Catalist of SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through CDP or by way of an Electronic Application (as may be applicable).

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

Provisional allotments of Rights Shares which are not otherwise taken up or allotted for any reason in accordance with the terms of the Rights Issue, shall be used to satisfy Excess Rights Shares applications as the Directors may, in their absolute discretion, deem fit. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

Pursuant to Rule 803 of the Catalist Rules, the Company will not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

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

Entitled Depositors should note that all correspondences and notices will be sent to their latest mailing addresses with CDP. Entitled Depositors are reminded that any request to CDP to update its records or to effect any change in address must reach CDP at least three (3) Market Days before the Books Closure Date.

Entitled Scripholders should note that all correspondence and notices will be sent to their latest mailing addresses with the Share Registrar. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach the Share Registrar at least three (3) Market Days before the Books Closure Date. Entitled Scripholders are encouraged to open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

The details of the procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciations and/or sales of the provisional allotments of Rights Shares and/or the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices I to III to this OIS and in the PAL, the ARE and the ARS.

2. Foreign Shareholders

This OIS and its accompanying documents have not been and will not be registered or lodged in any jurisdictions other than in Singapore. The distribution of this OIS and/or its accompanying documents, and the purchase, exercise of or subscription for the “nil-paid” Rights Shares and the Rights Shares may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative being complied with) in certain jurisdictions under the relevant securities laws of such jurisdictions.

For practical reasons and in order to avoid any violation of the securities legislations applicable in countries other than in Singapore, the Rights Issue is only made in Singapore and this OIS and/or its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdictions outside Singapore.

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

This OIS and its accompanying documents have not been and will not be despatched to persons purchasing the provisional allotments of the Rights Shares through the book-entry (scripless) settlement system if their mailing addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renouncee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore and who has not furnished the Share Registrar with an address in Singapore, will not be entitled to accept the provisional allotment of Rights Shares renounced to him.

The Company further reserves the right, but shall not be obliged, to treat as invalid any acceptance or purported acceptance of the provisional allotment of Rights Shares and (if applicable) application or purported application for Excess Rights Shares or to decline such acceptance or purported acceptance and (if applicable) such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes or has reason to believe may violate any applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any representation or warranty or confirmation, whether expressed or deemed, to be given by such person.

Foreign Shareholders who wish to be eligible to participate in the Rights Issue may provide a Singapore address by notifying in writing, as the case may be, (a) CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, or (b) the Company’s Share Registrar, KCK CorpServe Pte. Ltd. at 333 North Bridge Road, #08-00 KH KEA Building, Singapore 188721, no later than three (3) Market Days before the Books Closure Date.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales will, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

The net proceeds from all such sales (after deducting any applicable brokerage, commissions and expenses, including goods and services tax), will be aggregated and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or the number of Shares entered against their names in the Depository Register (as the case may be) as at the Books Closure Date and sent to them a crossed cheque drawn on a bank in Singapore and **sent by ordinary post at their own risk** to their mailing addresses in Singapore in the records of CDP, or in the case of net proceeds distributed through CDP, in such other manner as the Foreign Shareholders may have agreed with CDP for the payment of any cash distributions, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain such amount for the sole benefit of the Company or otherwise deal with such net proceeds as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, CDP, the Share Registrar and/or their respective officers in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP and/or the Share Registrar in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be allotted and issued to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in connection therewith.

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

Notwithstanding the above, Entitled Shareholders and any other persons having possession of this OIS and/or its accompanying documents are advised to keep themselves informed of and to observe all legal requirements applicable thereto at their own expense and without liability to the Company. No person in any territory outside Singapore receiving this OIS and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirement in such jurisdiction.

This Offer Information Statement and/or its accompanying documents are not intended for distribution outside of Singapore.

1. Listing of and Quotation for the Rights Shares

The Company had, on 3 August 2016, received the LQN from the SGX-ST for the listing of and quotation for the Rights Shares on the Catalist, subject to, *inter alia*, compliance with the SGXST's listing requirements. The LQN from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its Subsidiaries and their securities.

Upon the listing and quotation on the Catalist, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" and the "Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares", as the same may be amended from time to time. Copies of the above are available from CDP.

2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renouncees who wish to accept the Rights Shares and/or (if applicable) apply for Excess Rights Shares and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and/or (if applicable) Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renouncees who wish to accept the Rights Shares and/or (if applicable) apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant form(s) comprised in the PAL.

Entitled Scripholders and their renouncees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the relevant form(s) comprised in the PAL differ from those particulars in their currently maintained Securities Accounts, will be issued physical share certificates in their own names for the Rights Shares allotted to them and/or (if applicable) Excess Rights Shares that may be allotted to them. Such physical share certificates, if issued, will be **sent by ordinary post at their own risk**, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date, but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's mailing address stated in the PAL is different from his mailing address maintained with the CDP, he should promptly inform the CDP of any changes to his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address as maintained with the CDP.

A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his share certificate(s) with CDP, together with the duly executed instruments of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or Existing Shares (as the case may be) before he can effect the desired trade.

TRADING

3. Rights Trading

Entitled Depositors should note that the “nil-paid” Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST’s unit share market.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the Catalist can do so for the period commencing on 11 November 2016 from 9.00 a.m., being the date and time of commencement of the “nil-paid” Rights trading period, and ending on 25 November 2016 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last date and time of the “nil-paid” Rights trading period.

4. Trading of Odd Lots

Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares).

Shareholders should note that most counters on the SGX-ST trade in lot sizes of 100 shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares (i.e. less than 100 Shares) and who wish to trade in odd lots on the SGX-ST should note that they are able to do so on the unit share market of the SGX-ST which allows trading of odd lots with a minimum of one (1) Share.

The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST’s unit share market.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this OIS, statements made in public announcements, press releases and oral statements that may be made by the Company or its officers, employees and Directors acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategy, plans and future prospects of the Group’s industry are forward-looking statements. These forward-looking statements, including statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this OIS regarding matters that are not historical facts are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more detail in this Offer Information Statement, in particular, but not limited to, discussions under paragraph 9 of Part V (Operating and Financial Review and Prospects) of this Offer Information Statement.

Given the known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this OIS, undue reliance must not be placed on these forward-looking statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of the Company, the Manager, directors, officers, executives and employees or any other person represents or warrants that the Company’s and the Group’s actual future results, performance or achievements will be as discussed in these forward-looking statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements as a result of, *inter alia*, the risks and uncertainties faced by the Company and the Group.

In light of the volatile global financial markets and global economic uncertainties, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further the Company and its directors, officers, executives and employees and the Manager disclaim any responsibility to update any of these forward-looking statements or publicly announce any revisions to these forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur after the lodgement of this OIS with the SGX-ST, acting as agent on behalf of the Authority but before the Closing Date and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via the SGXNET and, if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority. The Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

TAKE-OVER LIMITS

The Take-over Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the SIC, where (a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30% or more of the voting rights of the corporation; or (b) any person who, together with parties acting in concert with him, holds not less than 30% but not more than 50% (both inclusive) of the voting rights in the corporation and such person, or any party acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights, such person must extend a mandatory take-over offer immediately to the shareholders for the remaining shares in the corporation in accordance with the provisions of the Take-over Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend a take-over offer.

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

Shareholders who are in doubt as to their position including obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of the subscription of all or any of their respective entitlement of Rights Shares under the Rights Issue should consult the SIC and/or their professional advisors immediately.

Depending on the level of acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares, the Company may, if necessary and upon the approval of the Sponsor and/or the SGX-ST, scale down acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares pursuant to the Rights Issue to avoid placing the relevant Shareholder and parties acting in concert with him (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code as a result of *inter alia* other Entitled Shareholders not taking up their provisional allotments of the Rights Shares fully.

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

**PART II
IDENTITY OF DIRECTORS, ADVISORS AND AGENTS**

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Name	Address	Position
Mr Chan Siew Wei	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322	Chairman, Lead Independent Director
Mr Christian Kwok-Leun Yau Heilesen	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322	Executive Director
Mr Tan Chin Lee	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322	Independent Director
Ms Zhou Jia Lin	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322	Non-Executive Non-Independent Director
Mr Leung Kwok Kuen Jacob	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322	Non-Executive Non-Independent Director

Advisers

2. Provide the names and addresses of:
- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal advisor for or in relation to the offer, if any.

Manager of the Rights Issue	: Asian Corporate Advisors Pte. Ltd. 160 Robinson Road #21-05 SBF Center Singapore 068914
Underwriter of the Rights Issue	: Not applicable. The Rights Issue is not underwritten.
Legal adviser to the Manager in relation to the Rights Issue	: Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624

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

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.
-

Share Registrar : **KCK CorpServe Pte. Ltd.**
333 North Bridge Road
#08-00 KH KEA Building
Singapore 188721

Receiving Banker : **OCBC Bank**
63 Chulia Street
#10-00 OCBC Centre East
Singapore 049514

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PART III OFFER STATISTICS AND TIMETABLE

Offer Statistics

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

Method of offer	: Renounceable non-underwritten rights issue of Rights Shares.
Basis of allotment	: Nine (9) Rights Shares for every one (1) Existing Share held by Entitled Shareholders as at the Books Closure Date.
Number of Rights Shares	: Up to 1,683,741,510 Rights Shares to be issued by the Company based on the Existing Share Capital, fractional entitlements to be disregarded.
Issue Price	: S\$0.0032 for each Rights Shares.
Status of the Rights Shares	: The Rights Shares, when issued and allotted, will rank <i>pari passu</i> in all respects with the then Existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue and allotment of the Rights Shares.

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to:

- (a) the offer procedure; and
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
-

Please refer to paragraphs 3 to 7 of Part III (Offer Statistics and Timetable) of this OIS.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of this OIS, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Please refer to the section titled “**Expected Timetable of Key Events**” of this OIS.

The details of the procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciations and/or sales of the provisional allotments of Rights Shares and/or the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices I to III to this OIS and in the PAL, the ARE and the ARS.

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As at the Latest Practicable Date, the Company does not expect the timetable under the section titled “**Expected Timetable of Key Events**” of this OIS to be modified. However, the Company may upon consultation with the Manager and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitation under any applicable laws or regulations. In that event, the Company will publicly announce any change to the timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

All payments for the Rights Shares and/or Excess Rights Shares must be made in full upon acceptance and/or application. The last date and time for acceptance of and payment for and/or application and payment for the Rights Shares and/or Excess Rights Shares is on **25 November 2016 at 5.00 p.m.** or, in the case of acceptance of and payment for and/or application and payment for the Rights Shares and/or (if applicable) Excess Rights Shares (by way of an Electronic Application), on **25 November 2016 at 9.30 p.m.**

The details of the procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciations and/or sales of the provisional allotments of Rights Shares and/or the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices I to III to this OIS and in the PAL, the ARE and the ARS.

Please refer to the section titled “**Expected Timetable of Key Events**” of this OIS for the last date and time for payment for the Rights Shares and (if applicable) the Excess Rights Shares.

5. State where applicable, the methods of and time limits for:

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**
-

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 10 November 2016 by crediting the provisional allotments to the Securities Accounts of the respective Entitled Depositors or through the despatch of the PALs to Entitled Scripholders.

In the case of Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form(s) comprised in the PAL, physical share certificates in their own names representing such number of Rights Shares and/or Excess Rights Shares will be **despatched by ordinary post and at their own risk**, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors, Purchasers and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form(s) comprised in the PAL) with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares, share certificates representing such number of Rights Shares and/or Excess Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their respective Securities Accounts. CDP will then send to the respective subscribers **by**

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ordinary post and at their own risk, to their mailing addresses in Singapore in the records of CDP, a notification letter stating the number of Rights Shares that have been credited to their respective Securities Accounts.

The Company will announce the date on which (a) the share certificates for the Rights Shares are despatched, and (b) the Rights Shares are credited into the relevant Securities Accounts, through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

Please refer to Appendices I to III to this OIS and the PAL, the ARE and the ARS (as the case may be) for further details.

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6. **In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**
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Not applicable as there are no pre-emptive rights to subscribe for or purchase the securities being offered.

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

Results of the Rights Issue

The Company will publicly announce, *inter alia*, the results of the allotment or allocation of the Rights Shares as soon as it is practicable after the Closing Date through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

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Entitled Depositors

If any acceptance of Rights Shares is invalid and/or if no Excess Rights Shares are allotted to Entitled Depositors or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on acceptance and/or application and/or the surplus application monies (as the case may be) will be returned or refunded by CDP, on behalf of the Company, to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom within 3 business days after the commencement of trading of the Rights Shares by any one or a combination of the following:

- (a) by crediting their bank accounts with the relevant Participating Bank(s) at their own risk (if they accept and (if applicable) apply by way of an Electronic Application), the receipt by such bank being a good discharge to the Company, CDP and the Manager of their obligations, if any, thereunder; and/or
- (b) by means of a crossed cheque drawn on a bank in Singapore and **sent by ordinary post at their own risk** to their mailing addresses in Singapore in the records of CDP, or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they accept and (if applicable) apply through CDP).

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Entitled Scripholders

If any acceptance of Rights Shares is invalid and/or if no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on acceptance and/or application and/or the surplus application monies (as the case may be) will be returned or refunded by the Company, to such Entitled Scripholders, without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by a crossed cheque drawn on a bank in Singapore and **sent by ordinary post and at their own risk** to their mailing addresses in Singapore as maintained with the Share Registrar.

Please refer to Appendices I to III to this OIS and the PAL, the ARE and the ARS (as the case may be) for further information on the refunding of excess amounts paid by applicants.

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PART IV KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
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Please refer to paragraphs 2 to 7 of Part IV (Key Information) of this OIS.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**
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Under the Maximum Subscription Scenario, based on 1,683,741,510 Rights Shares to be issued, the estimated net proceeds from the Rights Issue and after deducting estimated expenses of S\$0.30 million is expected to be approximately S\$5.09 million. Assuming only the Minimum Subscription Scenario, no Net Proceeds will be raised. It should be noted that the Minimum Subscription Scenario is one of the possible permutations of many possible scenarios for subscription of Rights Shares and applications Excess Rights Shares and are not exhaustive.

Under the Minimum Subscription Scenario, the Undertaking Shareholder's and/or the Undertaking Subscriber's subscription for Rights Shares are subject to the Scaling Provisions in order to avoid Mr Christian Kwok-Leun Yau Heilesen and parties acting in concert with him from incurring a mandatory general offer obligation under the Code.

The Directors are confident based on, *inter alia*, (i) the Issue Price (which represents a discount of approximately 77.1% from the closing price of S\$0.014 per Share on 30 June 2016, being the last trading day prior to the announcement of the Rights Issue; and 25.2% from the theoretical ex-rights price of approximately S\$0.004 per Share based on the closing price of S\$0.014 per Share on 30 June 2016), is reasonably priced to encourage or facilitate subscriptions for Rights Shares and participation by Shareholders, and (ii) the discussion with certain substantial Shareholders, that the subscription for the Rights Shares would likely be higher than that under the Minimum Subscription Scenario.

All Net Proceeds will go to the Company for allocation to its principal intended use set out in paragraph 3 of this Part IV (Key Information) below.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**
-

The Company intends to utilise the Net Proceeds in the Maximum Subscription Scenario for the Group's general working capital purpose (including but not limited to operational expenses and repayment of the loan to Industrial Electronics which was announced on 5 August 2016 and 27 October 2016).

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Assuming only the Minimum Subscription Scenario, no Net Proceeds will be raised.

Pending disbursement of the Net Proceeds for working capital requirements (being gross proceeds from the Rights Issue, after deducting expenses for the Rights Issue), the funds may be placed as deposits with financial institutions in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may, in their absolute discretion, deem fit.

The Company undertakes that it will comply with Rules 704(30), 815 and 1204(22) of the Catalyst Rules in relation to the use of proceeds from the Rights Issue. Accordingly, the Company will make such periodic announcements on the utilisation of proceeds from the Rights Issue, as and when the funds from the Rights Issue are disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. Where there is a material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. The Company will also announce any significant disbursement of the Net Proceeds and provide a status report on the use of the Net Proceeds in the Company's annual report(s).

Where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on its use for working capital in the Company's announcements and in the annual report(s).

In view of, *inter alia*, the Irrevocable Undertakings, the cost that may be incurred in the event of underwriting as well as the time that may be taken for the completion of the Rights Issue, the Rights Issue will not be underwritten. Barring unforeseen circumstances, as at the Latest Practicable Date, Directors are of the reasonable opinion that there is no minimum amount which must be raised from the Rights Issue.

Pursuant to Rule 814(1)(e) of the Catalyst Rules, as at the Latest Practicable Date, and barring unforeseen circumstances, the Directors are of the opinion that:

- (a) the current working capital available to the Group is sufficient for its present requirements; and
- (b) after taking into consideration the potential Net Proceeds from the Rights Issue, subject to market and economic conditions and barring unforeseen circumstances, the working capital available to the Group will be sufficient to meet its present requirements. As mentioned in the Circular, proceeds from the Rights Issue will provide the Group with financial flexibility and augment its cash buffer for existing and future operations in the event that the Proposed Leasing proceeds.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

Based on the intended use of the Net Proceeds under the Maximum Subscription Scenario as described in paragraph 3 of Part IV (Key Information) of this Offer Information Statement, for each dollar of the gross proceeds from the Rights Issue, the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the Rights Issue are as follow:

- (a) approximately 94.43 cents for the general corporate and working capital requirements of the Group; and
- (b) approximately 5.57 cents for the expenses incurred in connection with the Rights Issue.

Assuming only the Minimum Subscription Scenario, no Net Proceeds will be raised.

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5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to finance or refinance the acquisition of another business.

7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

The Company had on 9 July 2014 entered into a conditional deposit agreement ("**Conditional Deposit Agreement**") pursuant to which the Company agreed to enter into a placement agreement with Industronics to issue such number of Shares at such price and on such terms to be agreed. Pursuant to the Conditional Deposit Agreement, Industronics had deposited S\$2.5 million with the Company. The Conditional Deposit Agreement had lapsed on 30 June 2016 and no further extension had been agreed between the parties.

As announced on 14 December 2015, 18 January 2016, and 19 May 2016 the Group has, as at 19 May 2016, utilised approximately S\$2,454,000 of the Conditional Deposit from Industronics in which, *inter alia*, approximately S\$976 thousand for settlement of professional fees, S\$62 thousand for listing fees, S\$712 thousand for operating expenses and S\$704 thousand for repayments to Industronics. The use of proceeds as stated above is in accordance with the intended use as stated in the announcement dated 10 July 2014. In addition to the repayment of S\$704 thousand, as announced on 25 February 2016, the Company made another repayment of S\$762,812 to Industronics.

On 5 August 2016, the Company entered into a loan agreement with Industronics's wholly-owned subsidiary, Industrial Electronics in connection with the conversion of the remaining Conditional Deposit of S\$1,033,188 into a loan ("**Outstanding Balance**"), which is assigned to Industrial Electronics, payable within three (3) months from 1 July 2016 together with any accrued interest of 3% per month.

On 27 October 2016, the Company entered into a supplemental agreement with Industrial Electronics to extend the repayment of the Outstanding Balance and interest accrued to on or before 31 December 2016.

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As set out in paragraph 3 of Part IV (Key Information) of this Offer Information Statement, the Company intends to utilise the Net Proceeds for the Group's general working capital purpose (including but not limited to operational expenses and repayment of the loan to Industrial Electronics).

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8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the persons making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.
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Not applicable. The Rights Issue is not underwritten and no placement or selling agents are appointed by the Company for the Rights Issue.

Information on the Relevant Entity

- 9(a) Provide information on the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office).
-

Registered office/ principal place of business	:	280 Woodlands Industrial Park E5 #10-50 Harvest @ Woodlands Singapore 757322
Telephone	:	(65) 6268 9565
Facsimile	:	(65) 6268 9735

- 9(b) Provide information on the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group.
-

The Company was incorporated in Singapore under the name of PV Startech Holdings Pte. Ltd. on 12 October 1999 as a private company limited by shares and changed its name to Startech Electronics Pte. Ltd. with effect from 5 February 2001. Upon conversion to a public company on 2 July 2001, the Company was renamed as Startech Electronics Ltd. The Company subsequently changed name to Vashion Group Ltd. with effect from 3 December 2007.

As at the Latest Practicable Date, the Group's principal activities comprise the following:

1. distribution of specialty chemical products and consumable material for the electronics industry; and
2. switchgear design and assembly.

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As at the Latest Practicable Date, the Subsidiaries of the Company and their principal activities are as follows:-

Name of Subsidiary	Country of incorporation	Principal activities	Effective interest held by the Company (%)
<u>Held by the Company</u>			
Hi-Tech Distribution Pte. Ltd.	Singapore	Distributor of equipment and consumable materials for the electronic industry	100
Switech Systems & Marketing Pte. Ltd.	Singapore	Designer, assembler, supplier and installer of electrical switch boxes	100
Vashion Group (H.K.) Limited	Hong Kong	Investment holding company	100
Vashion Group (H.K.) Holdings Limited	Hong Kong	Trading of garments and cosmetics products	100
PT. Louis Gianni ⁽¹⁾	Indonesia	Wholesale and retail of garments	100
<u>Held by Hi-Tech Distribution Pte Ltd</u>			
Chemitec Industrial Private Limited	Singapore	Distributor of specialty chemical products and consumable materials for the electronic industry	100
<u>Held by Vashion Group (H.K.) Holdings Limited</u>			
Sansim Cosmetics (H.K.) Limited	Hong Kong	Trading of cosmetics products	100
FBT HK Limited	Hong Kong	Trading of body slimming products	100
Vashion Assets Management Limited	Hong Kong	Provision of consultancy service and investment holding	100
L&G Global Company Ltd	Cayman Islands	Dormant	100
Vashion Holdings Limited	British Virgin Islands	Dormant	100
<u>Held by L&G Global Company Ltd</u>			
Louis Gianni Asia Limited	British Virgin Islands	Dormant	100

Note:

(1) Mr Tansri Saridju Benui, a Substantial Shareholder and former Executive Chairman of the Company, holds 2% of the equity interest in PT Louis Gianni on behalf of the Company.

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- 9(c) Provide information on the general development of the business from the beginning of the period comprising the three (3) most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since:
- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or
 - (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published.
-

The general development of the business of the Group in the three (3) most recent completed financial years up to the Latest Practicable Date are set out below. Shareholders are advised to refer to the public announcements released by the Company via SGXNET and Part V (Operating and Financial Review and Prospects) of this OIS for further details.

Significant Developments in FY2013

Background and update on resumption trading plan

The Company requested for a trading halt on 14 June 2012 at 8:55 a.m and subsequently a suspension on 18 June 2012 at 5:55 p.m after the signed audited financial statements was received by the Company's previous sponsor, CNP. CNP needed time to review the independent auditors report, statement of directors and the 2011 financial statements with possible follow-on questions. As such, the Company applied to SGX-ST for a further extension of time to hold the annual general meeting for FY2011.

On 2 May 2013, the Company announced that the Board has deliberated and approved a resumption of trading plan that will be finalised and submitted to SGX-ST via CNP. Such plan includes, *inter alia*, the appointment of new statutory auditors and the Company will be convening a Shareholders' meeting to approve the appointment in due course once the terms of appointment has been finalised.

On 5 August 2013, the Company announced that it has appointed Grant Thornton as its internal auditors to assist the Company in evaluating and testing the effectiveness of controls that are in place to reduce the risk of the Company not meeting its business objectives and in particular, to address the issues on an on-going basis.

2012 Placement

The Company announced on 10 September 2012 that it had entered into two (2) subscription agreements ("**2012 Subscription Agreements**") with two (2) separate placees, Mr. Husin Jap ("**Mr. Husin**") and Mr. Agam Mirul Amri ("**Mr. Agam**") ("**2012 Placees**") to subscribe for 450 million new Shares each, at an issue price of S\$0.01 per Share, for a total of 900 million new Shares ("**2012 Placement Shares**") for an aggregate consideration of S\$9.0 million.

On 4 January 2013, the Company announced that it had entered into supplemental agreements dated 31 December 2012 ("**2012 Supplemental Agreements**") with each of the 2012 Placees to extend the long-stop date of the 2012 Subscription Agreements to 25 February 2013. Under the terms of the 2012 Supplemental Agreements, the commitment fee to be paid by the 2012 Placees increased from S\$250,000 to S\$350,000 per 2012 Placee. On 25 February 2013, the Company announced that it had entered into further supplemental agreements on the same day with the 2012 Placees to extend the long-stop date to 22 April 2013.

On 8 April 2013, the Company announced that it has obtained the listing and quotation notice for the 2012 Placement Shares from the SGX-ST on 5 April 2013.

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On 15 April 2013, the Company announced completion of the placement of (a) 450 million 2012 Placement Shares to Mr. Husin on the same day and (b) 50 million 2012 Placement Shares to Mr. Agam on 12 April 2013.

Since the execution of the 2012 Subscription Agreement, Mr. Agam had redeployed his funds and required an extension of time to complete subscription for the remaining 400 million 2012 Placement Shares. Hence, Mr. Agam requested for completion of the remaining 400 million 2012 Placement Shares to be no later than 25 July 2013. Consequentially, the long-stop date in the 2012 Subscription Agreement for Mr. Agam was extended to a date no later than 50 weeks after the date of the 2012 Subscription Agreement.

On 18 July 2013, the Company announced that it had entered into a further supplemental agreement dated 16 July 2013 ("**3rd Supplemental Agreement**") with Mr. Agam, pursuant to which the Company had agreed with Mr. Agam to further extend the long-stop date to a date as notified by the Company, being a date no earlier than the date the Company issues the annual report for FY2012. It was the intention of the Company to issue such notification immediately upon the issuance of the annual report.

Under the terms of the 3rd Supplement Agreement, Mr. Agam has also agreed that he shall make a further payment of S\$500,000 by 19 July 2013, and the Company shall on a date to be agreed utilise such amount to issue to Mr. Agam 50 million 2012 Placement Shares. The remaining S\$3.5 million shall be payable by Mr. Agam upon notification by the Company and the Company will issue the remaining 350 million 2012 Placement Shares only upon receipt of such amount.

On 18 July 2013, the Company announced that it had issued and allotted an aggregate of 50 million 2012 Placement Shares to Mr. Agam in connection with the S\$500,000 paid by Mr. Agam on 19 July 2013.

Monthly update on status of the final report by the independent reviewer

The Company announced on 30 January 2013 that the independent reviewer, Stone Forest has presented the draft report to the Audit Committee and the relevant authorities and was working towards finalising the report (please refer to the announcement dated 19 December 2012 for the updates pertaining to the status of the independent review). On 28 February 2013, the Company announced that Stone Forest had presented the 2nd draft report to the Audit Committee and the relevant authorities.

Release of the special review report by the independent reviewer and updates on developments of the Group

On 25 March 2013, the Company announced (a) that Stone Forest had on 14 March 2013 issued its special review report to the Audit Committee, (b) the scope of engagement of Stone Forest, (c) the findings of the special review, (d) a summary of the recommendations and management response (please refer to the announcement dated 25 March 2013 for the details) and (e) updates on the business of the Group.

On 17 October 2013, the Company announced that it wished to provide an update on certain matters impacting upon the completion of audit for FY2012. As disclosed in the announcement, the Company's Subsidiary, SZLG, had in July 2012 entered into an agreement (the "**Financial Assistance Agreement**") with 开平威腾服装有限公司 (Kaiping Weiteng Clothing Co Ltd) ("**Kaiping**"), a company incorporated in the PRC, to repay bank loans including interests of up to RMB24 million on behalf of 开平奔腾服饰有限公司 (Kaiping Pengteng Clothing Co Ltd), a related party of Kaiping.

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As at 31 December 2012, SLGZ had paid up approximately RMB8.8 million to certain banks. The payments made and amounts due under the Financial Assistance Agreement were to be funded through the unsecured borrowings from unrelated third parties before being financed by a bank.

Since 31 December 2012, certain matters had arisen in connection with Kaiping, including additional creditors of Kaiping emerging to hinder the transfer of eight (8) properties and four (4) land use rights ("**Properties**") under a court order, and the remaining title deeds to the Properties and land use rights not obtained by SZLG were in the possession of the bank creditors of Kaiping. Due to delay in the transfer of Properties, the Company decided not to continue its commitment to the Financial Assistance Agreement.

Extension of time to hold the annual general meeting for FY2012

The Company announced on 24 April 2013 that SGX had on 23 April 2013 granted a waiver from the requirement under Rule 707 of the Catalist Rules and allowed the Company an extension of time up to 31 October 2013 to hold its annual general meeting for FY2012 subject to certain conditions (please refer to the announcement dated 24 April 2013 for the conditions).

On 2 August 2013, the Company announced that it had appointed Moore Stephens as the new auditors of the Group pursuant to Shareholders approval at the extraordinary general meeting on 2 August 2013.

On 14 October 2013, the Company announced that due to matters encountered in the course of the audit for FY2012, additional time would be required by the Company and Moore Stephens to complete the audit for FY2012.

The Company applied to the SGX-ST to seek a further extension to hold its annual general meeting for FY2012 on 14 October 2013 and the SGX-ST granted the Company a waiver from the requirement under Rule 707(1) of the Catalist Rules on 11 November 2013 and allowed the Company an extension of time up to 31 January 2014 to hold its annual general meeting for FY2012 subject to certain conditions (please refer to the announcement dated 11 November 2013 for the conditions).

Entry into Exclusivity Agreement

On 17 May 2013, the Company announced that it had entered into an exclusive agreement dated 25 January 2013 and supplemental agreement dated 15 May 2013 with Ms Yanny Djelita Santosa and Mr Soesanto Leo (collectively the "**Vendors**"), PT. Dutadharma Utama (the "**Target**") and Mr Madi Widjaya Mihardja, SH, M. Kn (the "**Escrow Agent**"), to explore new business opportunities (the "**Exclusivity Agreement**"). The Target is a company incorporated in Bandung Indonesia, and is in the business of coal exploration, exploitation, production, sale and trade. Under the terms of the Exclusivity Agreement, the Company will, *inter alia*, within an agreed time deposit a total sum of S\$3 million with the Escrow Agent to be held on escrow and which would be fully refundable in the event no definitive agreement was entered into with the Vendors and/or the Target.

Performance Bonus Shares and Revised Performance Bonus Shares

On 26 October 2010, the Group's wholly-owned Subsidiary, VAM, entered into service agreements with two (2) executive directors (the "**Executives**") to grant them performance bonuses in the form of new Shares in lieu of cash payment (the "**Performance Bonus Shares**"). The aggregate of 330,518,260 Performance Bonus Shares shall be awarded only and solely in the event and occurrence of VAM achieving the audited net profit after interest and tax of HK\$4 million ("**Profit Target**") for the 12 months ended 31 March 2011 (the "**Relevant Period**"). The service agreements, setting out the terms of the Performance Bonus Shares, were approved by a resolution of the Board on 27 January 2011.

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

On 22 February 2012, the Company announced that pursuant to the said service agreements, the Company had agreed to allot and issue an aggregate of 330,518,260 Performance Bonus Shares at the issue price of S\$0.01 per Performance Bonus Share to the Executives in lieu of cash payment in equal proportions as the Profit Target was achieved.

As announced by the Company on 21 October 2013, the net profit after tax for VAM was below HK\$4 million in the annual report of the Company for FY2011. Notwithstanding this, the Company proposed the issue of 280,768,000 new Shares to the Executives.

Consequently, on 21 October 2013, VAM entered into a settlement agreement (the **"Settlement Agreement"**) with the Executives, where it was agreed an aggregate of 280,768,000 new Shares be issued to the Executives in equal proportion at a consideration of S\$0.01 for each new Share by 30 October 2014 (the **"Revised Performance Bonus Shares"**) as performance bonuses, subject to Shareholders' approval at an extraordinary general meeting to be convened.

Proposed Disposal of SZLG

On 8 November 2013, the Company announced that it had on 31 October 2013, through its wholly-owned Subsidiary, Vashion HK, entered into a sale and purchase agreement (**"SPA"**) for the sale of the entire issued and paid-up share capital of SZLG to SGL (the **"Proposed Disposal of SZLG"**), a third party purchaser, for a total consideration of S\$2 million payable by SGL in the manner and at the time agreed upon in the SPA. As announced on 30 December 2013, the Company entered into a supplementary agreement on the same day to extend the completion date to 31 March 2014.

In furtherance of the SPA, Vashion HK entered into a franchise agreement (**"Franchise Agreement"**) with SGL on 30 December 2013 to, *inter alia*, grant to SGL a non-exclusive right to use and sub-franchise the "Louis Gianni" series of trademarks which are registered in the PRC.

In connection with the Proposed Disposal of SZLG, LGC, then a wholly-owned Subsidiary of the Company, entered into a sale and purchase agreement with SGL on 31 October 2013 for the sale of debt due to LGC by LGC's debtors, such debt being RMB12,859,151.00 and RMB13,757,384.00 from Asia Image Investment Limited and Berman Limited respectively. The sale of debt was completed on 31 January 2014 after the condition precedents have been fulfilled.

Significant Developments in FY2014

Updates on resumption trading plan

On 4 April 2014, the Company updated Shareholders on the Company's plans for the resumption of trading of its securities, *inter alia*, that (i) the Audit Committee had on 31 March 2014 received an internal audit report from Grant Thornton and the findings of the internal audit report were being considered by the Audit Committee and the Board and would be addressed further in the annual report for FY2013; and (ii) the Company was also seeking an extension of time from both the SGX-ST and ACRA to hold the annual general meeting for FY2013 no later than 30 June 2014.

On 21 April 2014, the Company announced that SGX-ST has on 17 April 2014, granted the Company a waiver from the requirement under Rule 707(1) of the Catalist Rules and allowed the Company an extension of time up to 30 June 2014 to hold its annual general meeting for FY2013 subject to certain conditions (please refer to the announcement dated 21 April 2014 for the conditions).

Proposed Disposal of SZLG

The Company announced on 30 April 2014 that the application and administrative process for the transfer of legal title of SZLG required a longer time than expected. As such, completion of the transfer of legal title of SZLG was expected to extend to 21 May 2014. In this regard, the Company had on 30 April 2014 entered into a further supplementary agreement with SGL to extend the completion date to 31 May 2014 and accordingly, the 3rd and 4th tranche payment totalling S\$1 million due from SGL was deferred to end April 2014.

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As announced on 26 May 2014, the application and the administrative processes for the transfer of SZLG's legal title were completed on 23 May 2014, and the 3rd and 4th tranche payments totalling S\$1 million were received on 30 May 2014 by Vashion HK. The remaining outstanding S\$500,000 was scheduled to be paid by SGL on 19 November 2014.

Franchise Agreement

The Company announced on 2 April 2014 that the commencement date of the Franchise Agreement was postponed from 1 April 2014 to 1 May 2014. However, due to the delay in completion of the Proposed Disposal of SZLG, the Franchise Agreement only commenced on 1 June 2014 instead.

Change of continuing sponsor

As announced on 30 June 2014, the Company appointed Asian Corporate Advisors Pte. Ltd. to act as its new continuing sponsor, in place of CNP, with effect from 1 July 2014.

Entry into the Conditional Deposit Agreement

On 10 July 2014, the Company announced that it had on 9 July 2014 entered into the Conditional Deposit Agreement with Industronics. Pursuant to the Conditional Deposit Agreement, Industronics shall, within 14 days of the date of the Conditional Deposit Agreement, deposit a sum of S\$2.5 million or equivalent with the Company or a Subsidiary within the Group. In consideration of the foregoing, the Company agreed to enter into a placement agreement with Industronics to issue to Industronics such number of Shares, at such price and on such terms as shall be agreed and documented in the placement agreement, subject to the aggregate subscription amount in the placement agreement not being less than the deposit.

As announced on 30 September 2014, pursuant to the Conditional Deposit Agreement, Industronics had on 16 July 2014 deposited S\$2.5 million into a bank account of the Company's Subsidiary in Hong Kong which remains unutilised. Pursuant to a supplemental to the Conditional Deposit Agreement dated 30 September 2014 (the "**Supplemental Conditional Deposit Agreement**"), the Company and Industronics agreed to extend the validity period of the Conditional Deposit Agreement to on or before 31 December 2014.

As announced on 31 December 2014, pursuant to a 2nd supplemental to the Conditional Deposit Agreement dated the same day, the Company and Industronics extended the validity period of the Conditional Deposit Agreement to on or before 31 March 2015.

Appointment of internal auditor

As announced on 11 August 2014, the Company appointed JF Virtus as the internal auditor for the Company, in place of Grant Thornton with effect from 11 August 2014 as Grant Thornton has resigned as internal auditor effective from 8 August 2014.

Updates on entry into Exclusivity Agreement

As announced on 11 August 2014, the exclusivity period for the Exclusivity Agreement has lapsed and no further extension of the exclusivity period had been agreed between the parties nor any definitive agreement been entered into by the parties despite the various negotiations and discussions between the Company and the Vendors. The deposit of S\$3 million under escrow was fully refundable in the event no definitive agreement was entered into between the Company and the Vendors or the Target at the expiration of the exclusivity period, and the Company was evaluating the appropriate deployment of funds of approximately S\$2.765 million held in escrow.

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

Termination of 2012 Subscription Agreement with Mr. Agam

On 14 August 2014, the Company announced the termination of the 2012 Subscription Agreement with Mr. Agam (as supplemented by the 2012 Supplemental Agreement, the 2nd Supplemental Agreement and the 3rd Supplemental Agreement), with effect from 14 August 2014 subsequent to prolonged negotiations and upon the request of Mr. Agam via a termination agreement between the Company and Mr. Agam.

New line of business

On 31 October 2014, the Company announced that the Group has through its Subsidiary, Vashion HK commenced expansion of its business activities into trading and dealing in equipment and consumable materials for the electronics industry and apparel materials in Hong Kong.

Updates on Performance Bonus Shares and Revised Performance Bonus Shares

The Company and the Executives entered into the 1st supplemental to the Settlement Agreement on 31 October 2014 and a 2nd supplemental to the Settlement Agreement on 31 December 2014, extending the date by which the Revised Performance Bonus Shares were to be issued to the Executives to 31 December 2014 and 31 March 2015 respectively.

Significant Developments in FY2015

Updates on resumption trading plan

The Company announced on 26 February 2015 that it had implemented most of the recommendations by JF Virtus (in relation to, *inter alia*, conflict of interest policy, credit evaluation and credit policy, as well as timeliness disclosure of material information) except the code of conduct which the Company is currently working with the internal auditor and that the implementation will be subject to review by the internal auditor in the upcoming review period. The Company would continue to appoint JF Virtus to review the implementation and subsequent operational effectiveness of the Company's improved internal control/corporate governance. A resumption proposal had also been submitted to the SGX-ST and the Company is working with its sponsor and consulting the SGX-ST on its resumption proposal.

As announced on 18 June 2015, the Company received a letter from the SGX-ST in connection with the Company's application for resumption of trading and SGX-ST had no further comments on the Company's resumption proposal subject to disclosure of various confirmations and opinions, as well as submission of undertakings.

Subsequently, as announced on 13 November 2015, the Company received a letter from the SGX-ST in connection with the Company's application for resumption of trading, superseding the previous letter issued on 18 June 2015. The SGX-ST stated that it has no further comments on the Company's resumption proposal subject to disclosure of various confirmations and opinions, as well as submission of certain undertakings.

Subsequently, the Company announced on 23 November 2015 that it will be requesting for the resumption of trading of its Shares on the Catalist with effect from 9:00 a.m (Singapore time) on 24 November 2015.

Updates on Conditional Deposit Agreement

Pursuant to the 3rd supplemental to the Conditional Deposit Agreement dated 31 March 2015, 4th supplemental to the Conditional Deposit Agreement dated 30 June 2016, 5th supplemental to the Conditional Deposit Agreement dated 30 September 2015 and 6th supplemental to the Conditional Deposit Agreement dated 31 December 2015, the Company and Industronics have agreed to extend the validity period of the Conditional Deposit Agreement to on or before 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 respectively.

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

Updates on Performance Bonus Shares and Revised Performance Bonus Shares

The Company and the Executives had entered into a 3rd supplemental agreement to the Settlement Agreement on 31 March 2015, a 4th supplemental agreement to the Settlement Agreement on 30 June 2015, a 5th supplemental agreement to the Settlement Agreement on 30 September 2015 and a 6th supplemental agreement to the Settlement Agreement on 31 December 2015, extending the date by which such Revised Performance Bonus Shares are to be issued to the Executives to 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 respectively.

Updates on Proposed Disposal of SZLG

On 31 July 2015, the Company announced that it has entered into a 4th supplemental agreement with SGL on the same day. Pursuant to the 4th supplemental agreement, the final tranche payment shall be payable in five (5) equal instalment of S\$100,000 each (for which the first payment was to be made in December 2015 and the last payment was to be made in April 2016).

Disposal of LGC

On 14 August 2015, the Company announced its intention to dispose LGC, then a wholly-owned subsidiary of Vashion HK (the “**LGC Disposal**”) through Vashion HK, the Company’s wholly-owned Subsidiary.

On 2 December 2015, the Company announced that it had entered into a sale and purchase agreement with Guo Ming Jiao on the same day for the LGC Disposal to Guo Ming Jiao. The consideration for the LGC Disposal was HKD1.00, payable by Guo Ming Jiao to Vashion HK by cash upon completion. Completion was to take place on or before 31 December 2015.

On 4 December 2015, the Company announced the completion of the LGC Disposal and following the completion, LGC ceased to be a Subsidiary of the Company.

2015 Placement

On 15 December 2015, the Company announced that it had entered into a placement agreement (“**2015 Placement Agreement**”) with four (4) individual placees (“**2015 Placees**”) for the proposed placement of 1,333,333,332 Shares at an issue price of S\$0.0009 for each placement share (“**2015 Placement Shares**”), amounting to an aggregate amount of S\$1.2 million (the “**2015 Placement**”).

Significant Developments from 1 January 2016 to the Latest Practicable Date

2015 Placement

On 25 January 2016, the Company announced that it had entered into a supplemental agreement on the same day (“**2015 Supplemental Agreement**”) with *inter alia* each of the 2015 Placees to amend (a) the issue price from S\$0.0009 to S\$0.001 for each 2015 Placement Share; and (b) the number of 2015 Placement Shares for each 2015 Placees. On 29 January 2016, the Company announced that SGX-ST had on the same day issued the notice for the listing and quotation for 1.2 billion 2015 Placement Shares in the capital of the Company.

Updates on Conditional Deposit Agreement

As announced on 31 March 2016, pursuant to a 7th supplemental to the Conditional Deposit Agreement dated the same day, the Company and Industronics agreed to extend the validity period of the Conditional Deposit Agreement to on or before 30 June 2016.

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

Repayment of Conditional Deposit and entering into loan agreement

On 5 February 2016, the Company announced that at the request of Industronics and as agreed by the Board, the Company had on the same day, made a partial repayment of USD500,000 (equivalent to SGD704,000 at exchange rate of USD1:SGD1.408 on 5 February 2016) to Industronics.

On 25 February 2016, the Company announced that at the request of Industronics and as agreed by the Board, the Company had on the same day made a further partial repayment of USD282,000 and HKD2 million (equivalent to SGD762,812 at exchange rate of USD1:SGD1.4121 and HKD1:SGD0.1823) to Industronics.

On 30 June 2016, the Company announced that the 7th supplemental to the Conditional Deposit Agreement is due on the same day and no further extension had been agreed between the parties nor a definitive agreement had been entered into by the parties, and that the Company was in negotiations and discussions with Industronics in relation to the arrangement for the remaining Conditional Deposit of S\$1,033,188.

On 5 August 2016, the Company announced that it had entered into a loan agreement with Industronics' wholly-owned subsidiary, Industrial Electronics to convert the remaining Conditional Deposit of S\$1,033,188 into a loan, which is assigned to Industrial Electronics.

On 27 October 2016, the Company entered into a supplemental agreement with Industrial Electronics to extend the repayment of the Outstanding Balance and interest accrued to on or before 31 December 2016.

Updates on Proposed Disposal of SZLG and impairment of the “Lousi Gianni” series of trademarks and franchisee fees

On 29 February 2016, the Company announced that the Company had not received the 1st, 2nd and 3rd installments amounting to S\$300,000 from SGL. The Board was in doubt with regards to the collectability of the final tranche after further delay in settlement from SGL. The Company had impaired the full amount of the final tranche in FY2015 amounting to S\$485,000 (after taking into account currency translation) as announced on 29 February 2016, as such there would be no further material impact arising from the non-collectability of the final tranche on the Group's financial performance and position for FY2016.

In addition, the Company had also impaired the amount due from SGL in connection with the franchise fees of S\$201,000 for FY2014 which had been long overdue, as the Company expects that the amount may not be recoverable due to a material slowdown in apparels business in the PRC. Lastly, the Company had also provided an impairment of approximately S\$1.6 million for the “Louis Gianni” series of trademarks in view of the decline in the estimated future value as ascribed by an independent valuer, given the increase in competition and decline in demand in the PRC as well as the non-recoverability of the annual franchisee fees from SGL.

Share Consolidation

On 23 March 2016, the Company announced a proposed share consolidation (the “**Share Consolidation**”) of every 25 Shares into one (1) consolidated Share, fractional entitlements to be disregarded. On 12 April 2016, the Company announced that SGX-ST had on the same day, issued the notice for the listing and quotation for up to 175,851,729 consolidated Shares. On 5 May 2016, the Company announced that the books will be closed at 13 May 2016 at 5.00 p.m. The Company announced the completion of the Share Consolidation on 16 May 2016.

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

Entering into preliminary agreement

On 6 May 2016, the Company announced that it had entered into a preliminary agreement with Mdm. Ng An Ho, an Indonesian (the “**Lessor**”) to lease a commercial property of warehouse in an industrial park in Jakarta Timur, Indonesia for 20 years. The transaction is subject to execution of definitive agreement and as at the Latest Practicable Date, the Company has not entered into the definitive agreement with the Lessor.

Listing and quotation of the Revised Performance Bonus Shares

On 26 May 2016, the Company announced that SGX-ST had on the same day issued the notice for the listing of and quotation for 11,230,720 Revised Performance Bonus Shares (after taking into account completion of the Share Consolidation on 16 May 2016) (“**Performance Shares**”) in the capital of the Company to Mr Fu Ngai Man (“**Mr Fu**”) and Mr Ng Wai Hung (“**Mr Ng**”) in equal proportions, at an issue price of S\$0.25 for each Performance Share as performance bonus pursuant to the settlement agreement dated 21 October 2013 as supplemented by the 1st, 2nd, 3rd, 4th, 5th, 6th and 7th supplemental agreements dated 31 October 2014, 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 respectively.

On 6 June 2016, the Company announced that 11,230,720 Performance Shares had been issued to the Executives in equal proportions, at an issue price of S\$0.25 for each Performance Share as performance bonus.

Use of proceeds from the Conditional Deposit

On 18 January 2016, the Company announced that it had, during the period from 15 December 2015 to 18 January 2016, further utilized approximately S\$178,000 of the Conditional Deposit from Industronics for settlement of professional fees and listing fees to SGX-ST and approximately S\$40,000 for operating expenses. As at the date of the announcement, the Company had utilized S\$1,543,000 (or 61.72%) of the Conditional Deposit.

On 19 May 2016, the Company announced that it had, during the period from 18 January 2016 to 19 May 2016, further utilized approximately S\$207,000 of the Conditional Deposit from Industronics for settlement of operating expenses. As at 19 May 2016, the Company had utilized S\$2,454,000 (or 98.16%) of the Conditional Deposit and also repaid S\$1,466,812 to Industronics.

Use of proceeds from the 2015 Placement

On 4 August 2016, the Company announced that it had fully utilized the net proceeds from the 2015 Placement of S\$1.1 million.

Rights Issue

On 30 June 2016, the Company announced that it is proposing to undertake a renounceable non-underwritten rights issue of up to 1,683,741,510 new ordinary shares in the capital of the Company at an issue price of S\$0.0032 for each Rights Share, on the basis of nine (9) Rights Shares for every one (1) Existing Share as at a time and date to be determined by the Directors and announced by the Company in due course.

On 26 July 2016, the Company announced that it had procured the Mission Well Irrevocable Undertaking and the Go Best Irrevocable Undertaking, both dated 18 July 2016, in connection with the Rights Issue. The Company also announced that Go Best had obtained confirmation from a financial institution that it has sufficient financial resources to fulfil its obligations under the Go Best Irrevocable Undertaking. The said confirmation of financial resources was received by the Company on 25 July 2016.

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On 3 August 2016, the Company announced that SGX-ST had on the same day issued the LQN for up to 1,683,741,510 Rights Shares at the Issue Price pursuant to the Rights Issue subject to certain conditions as stated in the said announcement.

On 5 September 2016, the Company announced that Shareholders' approval for, *inter alia*, the Rights Issue has been obtained during the extraordinary general meeting held on 5 September 2016.

Other matters

On 17 October 2016, the Company announced the following changes in the interests of Substantial Shareholders:

- (a) Ms Siu Hiu Ki Jamie is deemed interested in the 11,690,400 Shares held by Rennace Investments Ltd. as she had become a director and the sole shareholder of Rennace Investments Ltd. with effect from 1 June 2008. In addition, Ms Siu Hiu Ki Jamie confirmed that she is not deemed interested in the 14,200,000 Shares which is held by her spouse, Mr Christian Kwok-Leun Yau Heilesen (Executive Director of the Company) via Mission Well as she is not able to exercise control over the voting rights of the 14,200,000 Shares held by her spouse via Mission Well, neither does she has control nor authority to dispose those Shares; and
- (b) Mr. Khoo Yick Wai ceased to have a deemed interest in the 11,690,400 Shares held by Rennace Investments Ltd. as he had ceased to be the sole shareholder of Rennace Investments Ltd. with effect of 1 June 2008 and director of Rennace Investments Ltd. with effect from 9 September 2014.

Prior to the disclosure on changes in interests on 17 October 2016 by Ms Siu Hiu Ki, Jamie and Mr Khoo Yick Wai, it had been disclosed in the previous announcements and disclosures made by the Company (including *inter alia*, annual reports) where relevant, that Mr Khoo Yick Wai was deemed interested in 11,690,400 Shares held by Rennace Investments Ltd. as he was the director and sole shareholder of Rennace Investments Ltd.

On 18 October 2016, the Company also announced that Mr Christian Kwok-Leun Yau Heilesen, in addition to his deemed interest in the 14,200,000 Shares held by Mission Well, was also deemed interested in the 11,690,400 Shares held by his spouse, Ms Siu Hiu Ki Jamie via Rennace Investments Ltd., on 23 November 2015 (being the date he became Director). He was not aware of his spouse's shareholding in the Company until she informed him on 14 October 2016 after she notified the Company of her interest in the Company as a Substantial Shareholder.

On 25 October 2016, the Company announced that further to the announcement on 18 October 2016, Mr Christian Kwok-Leun Yau Heilesen is also deemed interested in 11,690,400 Shares held by his spouse, Ms Siu Hiu Ki Jamie via Rennace Investments Ltd.. Accordingly, Mr Christian Kwok-Leun Yau Heilesen is deemed interested in 14,200,000 Shares held by Mission Well (representing approximately 7.59%) and 11,690,400 Shares held by his spouse, Ms Siu Hiu Ki Jamie via Rennace Investments Ltd. (representing approximately 6.25%), aggregate amounting to 25,890,400 Shares (representing approximately 13.84%).

Rennace Investments Ltd has on 1 November 2016 and 2 November 2016 disposed off all its 11,690,400 Shares and as a result, Mr Christian Kwok-Leun Yau Heilesen's deemed interest in the Company had declined from 25,890,400 Shares to 14,200,000 Shares (representing approximately 7.59%).

On 8 November 2016, the Company announced, *inter alia*, Mr Khoo Yick Wai's bankruptcy and his role as an authorized signatory of PT. Louis Gianni.

Save as disclosed herein and in public announcements released by the Company via SGXNET, there has been no material change in the affairs of the Group since 30 June 2016 to the Latest Practicable Date.

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

9(d) Provide information on the equity capital and the loan capital of the relevant entity as at the Latest Practicable Date, showing:

- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon.**

As at the Latest Practicable Date, the equity capital and the total outstanding loans of the Company are as follows:

Issued and paid-up share capital	: S\$30,889,162
Number of ordinary shares in issue (excluding treasury shares)	: 187,082,390
Number of treasury shares	: Nil
Loan capital	: Nil

9(e) Where:

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date.**

As at the Latest Practicable Date, the Substantial Shareholders of the Company and the number of Shares they hold as recorded in the Register of Substantial Shareholders maintained by the Company pursuant to the Companies Act, were as follows:

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	% of issued Shares ⁽¹⁾	No. of Shares	% of issued Shares ⁽¹⁾
Zhou Qilin	16,000,000	8.55	—	—
Reill Edward Champley	15,002,000	8.02	—	—
Tansri Saridju Benui	14,400,000 ⁽²⁾	7.70 ⁽²⁾	—	—
Mission Well Limited	14,200,000	7.59	—	—
Christian Kwok-Leun Yau Heilesen ⁽³⁾	—	—	14,200,000	7.59
Malayan Banking Berhad	11,691,160	6.25		
AmanahRaya Trustees Berhad ⁽⁴⁾	—	—	11,691,160	6.25
Amanah Raya Berhad ⁽⁴⁾	—	—	11,691,160	6.25

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

Notes:

- (1) Based on the number of issued Share capital of 187,082,390 as at the Latest Practicable Date.
- (2) This figure does not include the 98,000 Shares held by his spouse as he is not deemed to have an interest in the shares held by his spouse as a Substantial Shareholder.
- (3) Mr. Christian Kwok-Leun Yau Heilesen is deemed interested in 14,200,000 Shares held by Mission Well as he is the director and sole shareholder of Mission Well.
- (4) AmanahRaya Trustees Berhad ("**ARTB**") (acting as trustee for Skim Amanah Saham Bumiputera) is a substantial shareholder of Malayan Banking Berhad. As such, ARTB is deemed to have an interest in the Shares held by Malayan Banking Berhad. Amanah Raya Berhad ("**ARB**") is the holding company of AmanahRaya Trustees Berhad. As such, ARB is deemed to have an interest in the Shares held by Malayan Banking Berhad.

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- 9(f) Provide information on any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the twelve (12) months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group.**
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As at the date of lodgement of this OIS and save for disclosures made via SGXNET, the Directors are not aware of any legal or arbitration proceedings which are pending or known to be contemplated, which may have, or which have had in the twelve (12) months immediately preceding the date of lodgement of this OIS, a material effect on the financial position or profitability of the Group taken as a whole.

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- 9(g) Where any securities or equity interest of the relevant entity have been issued within the twelve (12) months immediately preceding the latest practicable date:**
- (i) if the securities or equity interest have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or
 - (ii) if the securities or equity interest have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests.
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The Company had entered into the 2015 Placement Agreement on 15 December 2015 and the 2015 Supplemental Agreement on 25 January 2016 for the proposed placement of 1.2 billion 2015 Placement Shares at an issue price of S\$0.001 for each 2015 Placement Share, amounting to an aggregate amount of S\$1.2 million. As announced on 10 February 2016, 1.2 billion 2015 Placement Shares were issued to the 2015 Placees pursuant to the 2015 Placement Agreement and 2015 Supplemental Agreement.

As partial repayment for advisory fees of past services rendered (being resumption of trading for the Shares), the Company had on 10 February 2016 issued and allotted 165 million new Shares at an issue price S\$0.001 each to ACA. These Shares were subsequently disposed by ACA on 2 November 2016 and 3 November 2016.

The Company had on 16 June 2016 issued 11,230,720 new Shares at an issue price of S\$0.25 each to Mr Fu and Mr Ng pursuant to the Settlement Agreement. The 11,230,720 new Shares were granted to the Executives as performance bonuses in lieu of cash payments pursuant to their service agreements approved by the Board on 27 January 2011.

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

Name of Executives	Address
Mr Fu Ngai Man, Raymond	701 Tower A, Aerospace Skyscraper, 4019 Shennan Road, Futian District, Shenzhen, 518048, People's Republic of China
Mr Ng Wai Hung	Flat B, 11/F, On Ning Building, 145-153 Castle Peak Road, Kowloon, Hong Kong

Save as disclosed above and in this Offer Information Statement, the Company has not issued any securities or equity interests in the last 12 months immediately preceding the Latest Practicable Date.

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- 9(h) Provide a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of two (2) years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**
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As at the Latest Practicable Date, save for disclosures made via SGXNET and as disclosed in paragraph 9(c) of Part IV (Key Information) of this Offer Information Statement and below, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and its Subsidiaries during the two (2) years preceding the date of lodgement of this OIS:

- (i) Conditional Deposit Agreement dated 10 July 2014 as supplemented by the 1st, 2nd, 3rd, 4th, 5th, 6th and 7th supplemental agreement dated 30 September 2014, 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 entered into between the Company and Industronics where the Company has agreed to enter into a placement agreement with Industronics to issue such number of Shares at such price and on such terms to be agreed pursuant to which Industronics deposited S\$2.5 million with the Company;
- (ii) The Company and the Executives entered into the 1st, 2nd, 3rd, 4th, 5th and 6th supplemental to the Settlement Agreement relating to the Revised Performance Bonus Shares for an aggregate of 280,768,000 new Shares to be issued to the Executives in equal proportions at a consideration of S\$0.01 for each new Share on 31 October 2014, 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, and 31 December 2015, extending the date by which the Revised Performance Bonus Shares were to be issued to the Executives to 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 respectively;
- (iii) 4th supplemental agreement dated 31 July 2015 entered into with SGL relating to the Proposed Disposal of SZLG in connection with the final tranche payment, payable in five (5) equal instalment of S\$100,000 each (for which the first payment was to be made in December 2015 and the last payment was to be made in April 2016);
- (iv) sale and purchase agreement dated 2 December 2015 entered into between Vashion HK, a wholly-owned Subsidiary of the Company, and Guo Ming Jiao for the sale of the entire share capital of LGC to Guo Ming Jiao for the consideration of HKD1.00;

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- (v) 2015 Placement Agreement dated 15 December 2015 as supplemented by the 2015 Supplemental Placement Agreement dated 25 January 2016 entered into between the Company and the 2015 Placees for the subscription of 1.2 billion 2015 Placement Shares by the 2015 Placees at an issue price of S\$0.001 for each 2015 Placement Share;
- (vi) preliminary agreement dated 6 May 2016 entered into between PT Louis Gianni, a wholly-owned Subsidiary of the Company, and Mdm. Ng An Ho to, *inter alia*, lease a commercial property of warehouse in an industrial park in Jakarta Timur, Indonesia, for 20 years, for a consideration of S\$2,906,400, based on a total lettable area 6,055 square meters with S\$2 per square meter per month for 20 years; and
- (vii) loan agreement dated 5 August 2016 as supplemented by the supplemental agreement dated 27 October 2016 entered into between the Company and Industrial Electronics in connection with the conversion of the remaining Conditional Deposit of S\$1,033,188 into a loan, which is assigned to Industrial Electronics.

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PART V OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from:

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the three (3) most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
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Please refer to paragraph 2 of Part V (Operating and Financial Review and Prospects) of this OIS.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.
-

The audited consolidated income statements of the Group for FY2013, FY2014, FY2015 and the unaudited consolidated income statements of the Group for HY2015 and HY2016 are set out below:

	Unaudited HY2016 S\$'000	Unaudited HY2015 S\$'000	Audited FY2015 S\$'000	Audited FY2014 S\$'000	Audited FY2013 S\$'000
Revenue	1,564	1,738	3,478	5,242	6,117
Cost of sales	(1,256)	(1,340)	(2,877)	(3,779)	(4,115)
Gross profit	308	398	601	1,463	2,002
Other operating income	259	57	2,086	4,236	847
Selling and distribution expenses	(24)	(24)	(233)	(609)	(2,131)
Administrative expenses	(1,307)	(1,084)	(2,277)	(3,457)	(4,351)
Other operating expenses	(8)	(77)	(2,986)	(654)	(3,410)

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	Unaudited HY2016 S\$'000	Unaudited HY2015 S\$'000	Audited FY2015 S\$'000	Audited FY2014 S\$'000	Audited FY2013 S\$'000
Profit/(Loss) from operations	(772)	(730)	(2,809)	979	(7,043)
Finance costs	(4)	(4)	(4)	(438)	(1,010)
Profit before tax	(776)	(734)	(2,813)	541	(8,053)
Income tax	–	–	5	(49)	(2)
Profit/(Loss) for the year after taxation	(776)	(734)	(2,808)	492	(8,056)
Other comprehensive profit/(loss)	(41)	53	(593)	(248)	(422)
Items that may be classified subsequently to profit or loss:					
foreign currency translation gain / (loss)					
Reclassification adjustment relating to foreign operation disposed	–	–	(83)	(1,283)	–
Loss attributable to:					
Owners of the Company	(817)	(681)	(3,484)	(1,039)	(8,478)
Non-controlling interests	–	–	–	–	–
Loss for the year	(817)	(681)	(3,484)	(1,039)	(8,478)
No dividends were declared for HY2016, HY2015, FY2015, FY2014 and FY2013.					
Singapore cents	Unaudited HY2016	Unaudited HY2015	Audited FY2015	Audited FY2014	Audited FY2013
(LPS)/EPS before Rights Issue					
- Basic (cents) ⁽¹⁾	(0.47)	(0.61)	(2.32)	0.41	(7.04)
- Diluted (cents) ⁽²⁾	(0.47)	(0.61)	(2.32)	0.41	(7.04)

Notes:

- (1) Calculated based on the weighted average number of Shares in issue of 114,468,088 in FY2013; 121,250,729 in FY2014; 121,250,729 in FY2015; 121,251,729 in HY2015 and 164,785,875 in HY2016.
- (2) Calculated based on the weighted average number of Shares in issue of 114,468,088 in FY2013; 121,250,729 in FY2014; 121,250,729 in FY2015; 121,251,729 in HY2015 and 164,785,875 in HY2016.

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Assuming that the Rights Issue and the Share Consolidation had been completed on 1 January, the EPS/LPS for HY2016 and for FY2015, FY2014 and FY2013 after adjusting for issuance of the Rights Shares are as follows:

	Minimum Subscription Scenario			Maximum Subscription Scenario		
HY2016⁽⁴⁾	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents
Before the Rights Issue	(776)	164,785,875	(0.47)	(776)	164,785,875	(0.47)
Adjusted for Rights Shares ⁽³⁾	(776)	224,635,875	(0.35)	(776)	1,848,527,385	(0.04)

	Minimum Subscription Scenario			Maximum Subscription Scenario		
FY2015⁽⁴⁾	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents
Before the Rights Issue	(2,808)	121,250,729	(2.32)	(2,808)	121,250,729	(2.32)
Adjusted for Rights Shares ⁽³⁾	(2,808)	181,100,729	(1.55)	(2,808)	1,804,992,239	(0.16)

	Minimum Subscription Scenario			Maximum Subscription Scenario		
FY2014⁽⁴⁾	Profit attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated EPS attributable to Shareholders ⁽²⁾ S\$ cents	Profit attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated EPS attributable to Shareholders ⁽²⁾ S\$ cents
Before the Rights Issue	492	121,250,729	0.41	492	121,250,729	0.41
Adjusted for Rights Shares ⁽³⁾	492	181,100,729	0.27	492	1,804,992,239	0.03

	Minimum Subscription Scenario			Maximum Subscription Scenario		
FY2013⁽⁴⁾	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents	Loss attributable to Shareholders ⁽¹⁾ S\$'000	Number of Shares	Consolidated LPS attributable to Shareholders ⁽²⁾ S\$ cents
Before the Rights Issue	(8,056)	114,468,088	(7.04)	(8,056)	114,468,088	(7.04)
Adjusted for Rights Shares ⁽³⁾	(8,056)	174,318,088	(4.62)	(8,056)	1,798,209,598	(0.45)

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Notes:

- (1) *Profit/(loss) attributable to Shareholders excludes profit/(loss) attributable to the non-controlling interests.*
- (2) *Consolidated EPS and/or LPS is based on the profit/(loss) attributable to Shareholders and the number of Shares issued as illustrated above.*
- (3) *Based on the assumption that the Rights Issue and the Share Consolidation had been completed at the beginning of FY2013, FY2014, FY2015 and HY2016 and disregarding any interest, revenue and/or returns that may arise from the deployment of the Net Proceeds.*
- (4) *Based on the assumption that Share Consolidation is completed at the beginning of FY2013, FY2014, FY2015 and HY2016.*

Review of Past Performance

3. In respect of:

- (a) **each financial year (being one of the three (3) most recent completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

HY2016 vs HY2015

The Group's revenue decreased by approximately 10.01% or S\$174 thousand from approximately S\$1.74 million in HY2015 to approximately S\$1.56 million in HY2016. The decrease was mainly attributed to a decline in revenue in the distribution business from S\$1.65 million in HY2015 to S\$1.46 million in HY2016. Despite the decrease of revenue in the distribution business, there was an increase in revenue in the switchgear assembly business from S\$90 thousand in HY2015 to S\$100 thousand in HY2016.

As a result of the decrease in revenue and an increase in labor cost in the distribution business in HY2016, the Group's gross profit decreased by approximately S\$90 thousand or 22.61% to approximately S\$0.3 million for HY2016.

Other operating income increased from S\$57 thousand in HY2015 to S\$259 thousand in HY2016. The increase was mainly contributed by (i) interest earned amounting to S\$90 thousand as a result of fixed deposit of approximately S\$3 million in CIMB in Indonesia and (ii) exchange gain of S\$116 thousand resulting from foreign currency translation. Apart from the increase in interest income and exchange gain, there was a decrease in agency fee income by S\$4 thousand from S\$57 thousand in HY2015 to S\$53 thousand in HY2016. Agency fee income arises from the Group acting as an agent for collection and payment on behalf of Fulan Group Limited in relation to sales and purchases of garment related materials between the buyer and the seller. Both buyer and seller are not related to any Directors nor Substantial Shareholders of the Company.

The selling and distribution expenses remain stable in HY2016.

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Administrative expenses have increased from approximately S\$1.1 million in HY2015 to approximately S\$1.3 million in HY2016. The increase was mainly due to an increase in professional fees amounting to S\$200 thousand as a result of monthly review of internal control and various corporate actions carried out by the Company, such as issuance and allotment of placement and performance shares and share consolidation. The administrative expenses of S\$1.3 million are mainly attributable to wages and salaries and directors fee (S\$524 thousand), rental and building management fee (S\$155 thousand), professionals and audit fees (S\$385 thousand), withholding tax incurred for fixed term deposit in Indonesia (S\$45 thousand), printing expenses (S\$33 thousand), entertainment expenses (S\$56 thousand) and others.

A record of fixed assets disposal in other operating expenses in HY2016 refers to fixtures and furniture no longer in useable condition.

The finance expenses remain unchanged in HY2016 and HY2015.

During HY2016 and HY2015, no provision for income tax was made for loss making companies.

Overall, the loss after tax for HY2016 increased by approximately S\$42 thousand as a result of the decline in revenue contribution from the distribution business unit and also the increase in administrative expenses in HY2016.

FY2015 vs FY2014

The Group's revenue decreased by approximately 33.6% or S\$1.8 million from approximately S\$5.2 million in FY2014 to approximately S\$3.5 million in FY2015. The decrease was mainly attributed to no revenue being recorded in the retail and wholesale garments segment in FY2015 which contributed approximately S\$1.3 million by SZLG and LGC in retail and wholesale garments segment in FY2014. In addition, there is also no revenue recognised from sales under Vashion HK for the trading of apparel materials in Hong Kong which contributed S\$0.4 million in FY2014.

As a result, the cost of sales decreased by approximately 23.9% or S\$0.9 million to approximately S\$2.9 million in FY2015, and gross profit decreased by approximately 58.9% or S\$0.8 million to approximately S\$0.6 million in FY2015. The Group's overall gross profit margin was 17.3% in FY2015, down from 27.9% in FY2014. The decrease was mainly due to:

- No revenue recognized for retail and wholesale business segment;
- Written off of consultancy project; and
- Higher margin generated from garment product in FY2014.

Other operating income decreased by approximately 50.8% or S\$2.2 million to approximately S\$2.1 million in FY2015. The drop was mainly due to the recognition of a non-recurring gain from the disposal of SZLG of approximately S\$3.5 million by the Group in FY2014.

Selling and distribution expense has significantly decreased by approximately 61.7% or S\$0.4 million to approximately S\$0.2 million in FY2015. The decrease was in line with the disposal of SZLG which resulted in lesser commission being paid to shopping centres, lesser promotions cost and decrease in depreciation in apparel business.

Administrative expense decreased by approximately 34.1% from approximately S\$3.5 million in FY2014 to S\$2.3 million in FY2015. The decrease was mainly attributable to the reduction of legal and professional fees of approximately S\$0.7 million, and wages and salaries of approximately S\$0.4 million.

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Other operating expense increased substantially by approximately 356.5% or S\$2.3 million to approximately S\$3.0 million in FY2015. This was mainly due to impairment loss of intangible assets of approximately S\$1.8 million, and impairment of other receivables of approximately S\$0.7 million. As there is material slowdown in apparels business in the PRC, the Company does not expect these impairments of other receivables of approximately S\$0.5 million and trade receivables of approximately S\$0.2 million to be recoverable from SGL.

The Group's finance cost decreased from approximately S\$438 thousand in FY2014 to approximately S\$4 thousand in FY2015, mainly due to no interest expenses incurred after disposal of SZLG as well as repayment of all borrowings in Hong Kong in FY2014. The finance expenses of approximately S\$4 thousand in FY2015 is mainly incurred from interest expenses on overdraft. During FY2015, there was no provision for income tax for Singapore and Hong Kong Subsidiaries but an adjustment for overprovision of tax of approximately S\$5 thousand in previous year was made.

Overall, the turnaround to loss in FY2015 was mainly due to increase in impairment loss of intangible assets, as well as other receivables and trade receivables and decrease in other operating income, as well as no revenue in retail business and wholesale business in the PRC and Hong Kong.

FY2014 vs FY2013

The Group's revenue decreased by approximately 14.3% or S\$0.9 million from approximately S\$6.1 million in FY2013 to approximately S\$5.2 million in FY2014. The decline was mainly due to no revenue recognised in consultancy services according to project milestone and lower sales generated in apparels wholesale business.

As a result, the cost of sales decreased by approximately 8.2% or S\$0.3 million to approximately S\$3.8 million in FY2014, and gross profit decreased by approximately 26.9% or S\$0.5 million to approximately S\$1.5 million in FY2014. The Group's overall gross profit margin was 27.9% in FY2014, down from 32.7% in FY2013 due to keen competition in apparels wholesale business. Meanwhile, the gross profit margin for consumable material as well as switchgear design and assembly had remained constant despite encountering keen competition during FY2014.

Other operating income increased substantially by approximately S\$3.4 million from approximately S\$0.8 million in FY2013 to approximately S\$4.2 million in FY2014. The substantial increase was mainly due to profit gains from disposal of SZLG of approximately S\$3.5 million which was recognised by the Group in FY2014.

Selling and distribution expenses decreased by approximately 71.4% or S\$1.5 million to approximately S\$0.6 million in FY2014, following the disposal of SZLG which resulted in lesser commission being paid to shopping centres, lesser promotions costs and a decrease in depreciation in apparel business.

Administrative expense decreased by approximately 20.6% from approximately S\$4.4 million in FY2013 to S\$3.5 million in FY2014. The decrease was mainly attributable to the disposal of SZLG which brought about a decrease of S\$0.4 million in wages and salaries, S\$0.2 million in rental expenses, as well as the cessation of the chief operating officer and previous chief financial officer in January 2014 and April 2014 respectively. Other contributing factors included no renovation expenses incurred in 2014.

Other operating expense decreased substantially by approximately 80.8% from approximately S\$3.4 million in FY2013 to approximately S\$0.7 million in FY2014. The substantial decrease was mainly due to the exchange loss of S\$0.3 million and impairment of trademark of S\$0.4 million.

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The Group's finance cost has decreased by approximately 56.7% or S\$0.6 million to approximately S\$0.4 million in FY2014. The reduction in finance cost was mainly due to the repayment of all borrowings in Hong Kong and no interest expenses incurred after disposal of SZLG. During FY2014, there was a provision for income tax of S\$0.05 million for Hong Kong subsidiary.

Overall, the turnaround to profit in FY2014 was mainly due to a decrease in selling and distribution expenses, as well as administrative expenses and a gain from disposal of SZLG, but which was offset by exchange losses.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of:
- (a) the most recent completed financial year for which audited financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period.
5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

The summary of the consolidated balance sheet of the Group as at 31 December 2015 and unaudited consolidated balance sheet as at 30 June 2016 are set out below:

	Unaudited as at 30 June 2016 S\$'000	Audited as at 31 December 2015 S\$'000
ASSETS		
Non-current assets		
Plant and equipment	43	74
Membership rights	24	24
Trademark	86	90
Total non-current assets	153	188

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	Unaudited as at 30 June 2016 S\$'000	Audited as at 31 December 2015 S\$'000
Current assets		
Inventories	231	180
Trade receivables	1,080	1,198
Other receivables, deposits and prepayments	556	720
Fixed deposits	3,080	3,096
Cash and cash equivalents	438	1,499
Total current assets	5,385	6,692
TOTAL ASSETS	5,538	6,880
EQUITY		
Share capital	30,889	28,120
Performance bonus share reserve	–	1,404
Translation reserve	(2,326)	(2,285)
Accumulated losses	(25,083)	(24,307)
Total equity	3,480	2,933
Non-current liabilities		
Lease obligations	–	–
Total non-current liabilities	–	–
Current liabilities		
Trade payables	193	230
Other payables and accruals	1,805	3,652
Lease obligations	3	7
Income tax payable	57	60
Total current liabilities	2,058	3,947
Total liabilities	2,058	3,947
TOTAL EQUITY AND LIABILITIES	5,538	6,880

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

The financial effects of the Rights Issue on the NAV per Share are as follows:

Assuming that the Rights Issue and the Share Consolidation had been completed on 31 December 2015, the NAV per Share as at 31 December 2015, after adjusting for the issuance of the Rights Shares is as follows:

FY2015	Minimum Subscription Scenario	Maximum Subscription Scenario
NAV attributable to Shareholders (S\$'000)	2,933	2,933
Number of Shares	121,251,729	121,251,729
NAV per Share (cents) ⁽¹⁾	2.42	2.42
NAV attributable to Shareholders adjusted for Rights Shares ⁽²⁾⁽³⁾	2,824	8,020
Number of Shares adjusted for Rights Shares	181,101,729	1,804,993,239
NAV per Share adjusted for Rights Shares (cents) ⁽¹⁾	1.56	0.44

Notes:

(1) NAV per Share is based on the NAV and the number of Shares as illustrated.

(2) Assuming that the Rights Issue and Share Consolidation had been completed at the end of FY2015 and taking into account estimated Net Proceeds for each of the relevant scenarios.

(3) No financial effects from the use of the proceeds from the Rights Issue were assumed in the computations.

Under Minimum Subscription Scenario for FY2015, the NAV per Share will decline from 2.42 cents to 1.56 cents while under Maximum Subscription Scenario, the NAV per Share will decline from 2.42 cents to 0.44 cents.

Assuming that the Rights Issue and the Share Consolidation had been completed on 30 June 2016, the NAV per Share as at 30 June 2016, after adjusting for the issuance of the Rights Shares is as follows:

HY2016	Minimum Subscription Scenario	Maximum Subscription Scenario
NAV attributable to Shareholders (S\$'000)	3,480	3,480
Number of Shares	187,082,390	187,082,390
NAV per Share (cents) ⁽¹⁾	1.86	1.86
NAV attributable to Shareholders adjusted for Rights Shares ⁽²⁾⁽³⁾	3,372	8,568
Number of Shares adjusted for Rights Shares	246,932,390	1,870,823,900
NAV per Share adjusted for Rights Shares (cents) ⁽¹⁾	1.37	0.46

Notes:

(1) NAV per Share is based on the NAV and the number of Shares as illustrated.

(2) Assuming that the Rights Issue and Share Consolidation had been completed at the end of HY2016 and taking into account estimated Net Proceeds for each of the relevant scenarios.

(3) No financial effects from the use of the proceeds from the Rights Issue were assumed in the computations.

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Under Minimum Subscription Scenario for HY2016, the NAV per Share will decline from 1.86 cents to 1.37 cents while under Maximum Subscription Scenario, the NAV per Share will decline from 1.86 cents to 0.46 cents.

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:
- (a) the most recent completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated cash flow statements for FY2015 and unaudited consolidated cash flow statements for HY2016 are set out below:-

	Unaudited HY2016 S\$'000	Audited FY2015 S\$'000
Cash flows from operating activities		
(Loss) before income tax	(776)	(2,813)
(Loss) before income tax	(776)	(2,813)
Adjustments:		
Depreciation of property, plant and equipment	22	81
Loss on disposal of other plant and equipment	8	2
Impairment of trademark	—	1,829
Write-back of inventories	—	(2)
Inventories written-off	—	118
Work-in-progress written-off	—	174
- trade receivables	—	201
- other receivables	—	659
Unrealised exchange gain	(116)	(674)
Gain on disposal of subsidiary	—	(1,129)
Interest expense	4	4
Interest income	(90)	(136)
Operating cashflows before working capital changes	(948)	(1,686)
Inventories	(52)	377
Trade and other receivables	282	(139)
Trade and other payables	(1,718)	25

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	Unaudited HY2016 S\$'000	Audited FY2015 S\$'000
Cash used in operations	(2,436)	(1,422)
Interest paid	(4)	(4)
Income tax refund	–	33
Net cash used in operating activities	(2,440)	(1,393)
Cash flows from investing activities		
Net cash (outflow)/inflow on disposal of subsidiary	–	(11)
Decrease of pledged fixed deposits	–	20
Fixed deposits maturing after three (3) months	–	(3,091)
Interest received	90	1
Net cash from/(used in) investing activities	90	(3,081)
Cash flows from financing activities		
Proceeds from issue of new shares, net of share issue expenses	1,200	–
Repayment of lease obligations	(3)	(7)
Net cash from/(used in) by financing activities	1,197	(7)
Net decrease in cash and cash equivalents	(1,153)	(4,481)
Cash and cash equivalents at beginning of the year	1,499	5,954
Effect of changes in foreign exchange rates on cash and cash equivalents	92	26
Cash and cash equivalents at end of the financial period	438	1,499

HY2016

The Group reported a cash used in operating activities before taking into account change in working capital of approximately S\$0.9 million. After the adjustment for the changes in working capital, the Group reported net cash used in operating activities of approximately S\$24 million, including S\$4 thousand interest paid. The Group's net cash generated from investing activities of approximately S\$90 thousand was mainly due to interest received from the fixed deposit. The net cash generated from financing activities of approximately S\$1.2 million was mainly due to proceeds from issuance of shares. Overall, the Group recorded a net decrease in cash and cash equivalents of approximately S\$1.2 million.

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

FY2015

The Group reported a cash used in operating activities before taking into account change in working capital of approximately S\$1.7 million. After the adjustment for the changes in working capital, the Group reported net cash used in operating activities of approximately S\$1.4 million, including S\$4 thousand interest paid and S\$33 thousand in income tax refund. The Group's net cash used in investing activities of approximately S\$3.1 million was mainly due to fixed deposit in Indonesia. The net cash used in financing activities of approximately S\$7 thousand was mainly due to repayment of lease obligations. Overall, the Group recorded a net decrease in cash and cash equivalents of approximately S\$4.5 million.

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

- (i) the current working capital available to the Group is sufficient for its present requirements; and
 - (ii) after taking into consideration the potential Net Proceeds from the Rights Issue, subject to market and economic conditions and barring unforeseen circumstances, the working capital available to the Group will be sufficient to meet its present requirements. As mentioned in paragraph 3 of Part IV (Key Information) of this OIS, proceeds from the Rights Issue will provide the Group with financial flexibility and augment its cash buffer for existing and future operations in the event that the Proposed Leasing proceeds.
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8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide:**
- (a) a statement of that fact;
 - (b) details of the credit arrangement or bank loan;
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).
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As at the Latest Practicable Date, the Directors are not aware of any breach by any entity in the Group of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Company's financial position and results or business operations, or the investments by holders of securities in the Company.

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

Trend Information and Profit Forecast or Profit Estimate

9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

Save as disclosed below and in this OIS, the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this OIS to be not necessarily indicative of the future operating results or financial condition of the Group.

Business and Financial Prospects of the Group for the Current Financial Year

As disclosed in the Group's annual report 2015, throughout FY2015, the Group had not embarked on any new merger or acquisition activities. Instead, continued restructuring efforts are being made to further strengthen and reinforce operational efficiency across the Group. As announced on 4 December 2015, the disposal of LGC was completed on 4 December 2015 to focus the Group's resources on its scalable core business, being the distribution of consumable material for electronics industry and switchgear assembly and part of its efforts to rationalize and streamline the Group's corporate structure. LGC was responsible for the wholesale of garment business in Hong Kong and the PRC.

Going forward, the Group will continue on its garment trading business (retailing and/or wholesaling) in the PRC and Hong Kong if opportunity arises in the future. Save as disclosed, there are no other development(s) subsequent to the release of the Company's financial statement for FY2015 which would materially affect the Company's operating and financial performances.

The outlook of the distribution of consumables to electronic manufacturer business segments remain constant and stable in the next 12 months based on the feedback from customers and business dealings with two (2) long term customers. However, the switchgear design and assembly division is facing increased competition that could materially reduce the revenue from this business segment.

The Group will also explore possible mergers, business acquisitions and joint venture opportunities so as to maintain its competitive advantage against other market players and improve the Group's overall operating results in the foreseeable future.

RISK FACTORS

To the best of the Directors' knowledge and belief, all the risk factors that are material to prospective investors in making an informed judgment on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following risk factors and all other information contained in this Offer Information Statement before deciding on whether to invest in the Rights Shares. The Group could be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein.

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

The risks described below are not intended to be exhaustive and are not presented in any particular order of importance. There may be additional risks not presently known to the Group or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected. In any such case, the trading price of our Shares could decline and you may lose all or part of your investment in our Shares and/or the Rights Shares. Before deciding to invest in the Rights Shares, you should seek professional advice from your adviser(s) about your particular circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

The Group may be materially and adversely affected by the general slowdown in the global economy

The general slowdown in the global economy and the difficult conditions of the global capital markets have resulted in a reduction of liquidity levels, a general decline in lending activity between financial institutions and in commercial lending markets and increased volatility and diminished expectations for the global economy and the markets in the near term. In view of the recent economic downturn, it is envisaged that the demand for the Company's products may be materially and adversely affected due to the decline in consumer and business confidence. Further, the Group may face difficulty in securing financing for its business activities.

Inventory risk and inventory obsolescence

The volatile nature of the global electronics industry and the fast pace of technological changes have led to shorter product life cycles and the constant introduction of new products. Due to rapid product developments, competition among electronic manufacturers has intensified and has often resulted in price erosion of products and electronic and electrical components. The introduction of new products and electronic and electrical components may render some of the products and electronic and electrical components that the Group distributes to be obsolete. As a distributor, the Group sometimes maintains inventory of products and electronic and electrical components based on the Group's projected market demand or customers' projected orders. As a result, the Group is exposed to risks of price erosion arising from, among others, product upgrades and migration of technology. The Group however has various programs with its major suppliers to mitigate such risks of inventory obsolescence. Impairment of inventories as at the end of the relevant financial years accounted for approximately 64.9%, 8.19% and 0.93% of the Group's inventories for FY2013, FY2014 and FY2015 respectively.

The Group is exposed to the credit risks of its customers

The Group usually extends to its customers credit terms of between 30 to 270 days. Other credit terms are assessed and approved on a case-by-case basis. Cashflow problems encountered by customers may impair their ability to settle their trade debts due to the Group promptly. Economic and/or political pressures in the countries where the Group distributes its products to, may also have an adverse impact on the ability of the customers located in that country to obtain foreign exchange or credit facilities to pay the Group. This will have a negative impact on both the financial performance and financial position of the Group. Although the Group has in place various credit evaluation processes, credit policies and collection procedures, there can be no assurances on the timeliness of payments by customers and the ability of its customers to fulfill their payment obligations. Delays and/or defaults in payment by customers will adversely affect the Group's operations and financial results.

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

The Group is dependent on non-exclusive distributorship arrangements with some suppliers

Some of the distributorship arrangements or sales representative agreements are non-exclusive. For these non-exclusive arrangements, other distributors can distribute similar products and compete with the Group in the same markets that it operates in. While the Group intends to maintain its existing good working relationships with the suppliers in the foreseeable future, there can be no assurance that these relationships will remain unchanged. The appointment of additional distributors by the Group's suppliers in the markets in which it operates will also adversely affect its revenue and profitability.

The Group is dependent on the electronics industry which may experience cyclical fluctuations due to market demand and supply conditions

The Group is an electronic and electrical components distributor in which revenue is heavily dependent on the state of the electronics industry, which historically had been characterized by fluctuations in product demand and supply, and hence fluctuations in price. As such, any cyclical fluctuation experienced by the electronics industry is likely to have a significant impact on the Group's revenue and profitability. In addition, the Group may encounter price increase by the suppliers and in the event these price increases cannot be passed to customers, the financial performance of the Group would be affected.

The Group is dependent on electronic and electronic-related industries and is susceptible to rapid technological changes

The products distributed by the Group are primarily employed by customers in the production of electronic and electronic-related products and high technology products such as personal computers, telecommunication equipment, data storage, medical and automotive products, among other products. Any slowdown or downturn in the demand for such products, or technological changes which render any of such products obsolete, will very likely have an adverse impact on these industries and, by extension, the Group's financial performance.

Termination of distribution agreements with the Group's suppliers will materially and adversely affect the Group's financial performance

All of the Group's distribution agreements are renewable on an annual basis or will continue until terminated which in some cases, are terminable after a period of notice. The Group does not have its own manufacturing facilities and revenue is mainly derived from the distribution of the suppliers' electronic and electrical components. In the event the Group's suppliers terminate their distribution agreements with the Group, or where the Group is unable to renew its distribution agreements with the suppliers on terms agreeable to it, the Group may face problems sourcing for the electronic and electrical components for distribution to countries where its customers are located. In addition, there is a risk of the Group's suppliers establishing their own distribution networks in the markets the Group operates in, thereby undermining the Group's operations.

The Group is dependent on existing customers

Besides acquiring new customers, the Group's performance is also dependent on its ability to retain existing customers. Delays, reductions and/or cancellations of orders by these customers will reduce the Group's turnover and adversely affect the Group's financial performance. If the Group's customers decide to buy directly from the Group's suppliers or the Group's suppliers solicit business from the Group's customers in the event the suppliers establish their own distribution networks in the markets the Group operates in, the Group's financial performance will be adversely affected. There is no guarantee that the Group's present existing customers will continue to do business with the Group, or that there will be no reduction in the orders received from them. In such events, the Group's financial results may be adversely affected.

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

The Group may be subject to changes in the political, economic, regulatory and/or social conditions in Indonesia

As announced on 6 May 2016, the Company has entered into a preliminary agreement for the Proposed Leasing and its completion is subject to the execution of a definitive agreement and certain conditions precedent highlighted in the said announcement. The Proposed Leasing (if completed) will result in expansion of the business into a new geographical market, new business sector and will have positive impact on the earnings in the event that the commercial property is leased out at higher leasing fees and significant adverse impact on the working capital of the Group as the Company will have to settle the consideration in full by cash within 120 days after the completion of the conditions precedent. Accordingly, there will be a change in the risk profile of the business of the Group and as such, Shareholders' approval may be required.

In the event the Proposed Leasing proceeds, the business operations of the Group will be subject to the laws, regulations and government policies in Indonesia. Any economic downturn, changes in policies implemented by the Indonesian government, currency and interest rate fluctuations, capital controls or capital restrictions, changes in labour laws or changes in environmental protection laws and regulations, could materially and adversely affect the Group's operations, financial performance and future growth.

There is no assurance that the Group's future plan to venture into the Proposed Leasing business will be successful

The Group intends to venture into the Proposed Leasing business as part of its future plans. This will involve additional working capital requirements and expose the Group to unforeseen risks associated with entering into new markets. The Group may also incur losses due to a potential increase in the Group's operating costs to finance growth and expansion of the Proposed Leasing business. There is no assurance that such plans will be commercially successful or the actual outcome of the Proposed Leasing business will match the Group's expectations. Should the Group fail to achieve its objectives in relation to the Proposed Leasing business or that the Group's venture into the Proposed Leasing business results in performance problems and/or any other unanticipated events or circumstances, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

RISKS RELATING TO OWNERSHIP OF THE SHARES

The Group may need to raise additional capital, and any inability to raise required funds could harm its business

As described in this Offer Information Statement, after taking into consideration the potential Net Proceeds from the Rights Issue, subject to market and economic conditions and barring unforeseen circumstances, the working capital available to the Group will be sufficient to meet its present requirements. However, the Group may need to raise additional debt or equity financing to acquire or invest in complementary businesses, or in cases whereby:

- the Group's working capital requirements, financing plans and expenditure vary from those presently expected;
- the Group does not meet its goals with respect to revenues;
- costs are higher, revenues are lower or schedules and timing for such payments or receipts are different from what was perceived as possible or anticipated given existing business and economic conditions and expectations; or
- there are changes to the Group's current financing plans.

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The additional equity financing may be raised by way of a placement by further rights offering (which would be subject to Shareholders' approval if necessary) or through the issuance of new Shares. In all such events, if any Shareholder is unable or unwilling to participate in such fund raising, such Shareholder may suffer a dilution in his investment. The new equity securities may also have rights, preferences or privileges senior to those of the Group's existing ordinary Shares.

If the Group raises funds through debt financing, there may be conditions imposed which restricts its business operations such as limiting the ability of the Group to pay dividends, require the Group to seek consent for the payment of dividends, require the Group to maintain financial ratios or require the Group to dedicate a portion of its cash flow from operations to payments of interest and repayment of its debts. Other conditions such as restriction on or consent required for corporate restructuring or additional financing or fundraising may limit its flexibility in planning for or reacting to changes in its business and the industry which the Group operates in.

In addition, in view of the Group's past performance and "lifting" of suspension in November 2015, the Group is not in a favourable position and has difficulties in obtaining the required financing with acceptable and appropriate terms and conditions from financial institutions to meet its working capital requirements. Thus, the Group cannot assure that it will be able to obtain any additional financing on terms that are acceptable to it or to raise sufficient proceeds from rights offerings or placements to meet its requirements in the future. In such an event, the Group may not be able to develop its business, capitalize on its future opportunities or respond to competition or unanticipated needs, all of which could seriously harm its business and results of operations. Moreover, the ability of the Group to pursue its objectives and safeguard Shareholders interest is a function of the perception of participants in the financial markets as well as the specific objectives of each of these participants which are or may be beyond the control of the Directors and management of the Company and subject to overall and general economic and business cycles.

Any financing obtained by the Group may also expose it to variations in interest rates and cash flows mismatches, which may have adverse material impact on its financial performance, position and cash generating abilities.

Additional funds raised through issuance of new Shares for the Group's future growth will dilute Shareholders' equity interests

One of the Group's strategies is to expand its capabilities and businesses through acquisitions, joint ventures and strategic partnerships with parties who can add value to its businesses. The Group may require additional equity funding and Shareholders will face dilution of their shareholdings should the Group issue new Shares to finance future acquisitions, joint ventures and strategic partnerships.

Future sale of Shares could adversely affect the Share price

Any future sale or availability of Shares can have a downward pressure on the Group's Share price. The sale of a significant amount of Shares in the public market after the Rights Issue, or the perception that such sales may occur, could materially and adversely affect the market price of the Shares. These factors will also weaken the Group's ability to sell additional equity securities.

There is a high probability that the Group's Share price will fluctuate widely and may adversely affect your investment

The Group expects trading of the Shares to be volatile and trading of the Shares may respond to announcements relating to technological or competitive developments, mergers or acquisitions by the Group or their competitors, gain or loss of major customers, or estimates of the Group's financial performance by investment analysts.

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

The Group's Share price may be volatile

The trading price of the Group's ordinary Shares could be subject to wide fluctuations in response to various factors, some of which are beyond its control, including factors discussed elsewhere in this Offer Information Statement and the following:

- failure to meet the published expectations of securities analysts for a given financial period;
- changes in financial estimates by securities analysts;
- changes in market values of comparable companies;
- stock market price and volume fluctuations;
- additions or departures of key personnel;
- potential involvement in litigation; and
- unforeseen circumstances (both macroeconomic and industry/firm specific factors affecting the Group's financial performance and position as well as cash flow and ability to obtain requisite financing and terms/conditions for supply of materials, labour, cost of consultants, projects and recurring contracts etc).

The Group's Shares may not be actively traded

Active and liquid trading of securities generally result in lower volatilities in share prices. The liquidity of the market for a particular share is dependent on, amongst others, the size of the free float, the price of each board lot, presence of institutional interests, and the business prospects of the company as well as the prevailing market sentiment. There is no assurance that the liquidity of the Group's Shares or the volume of Shares traded on the SGX-ST may not fluctuate following the Rights Issue.

Dilution of interest for Shareholders

Foreign Shareholders and Entitled Shareholders who do not accept their entitlements of the Rights Shares will have their shareholdings in the Company diluted after the completion of the Rights Issue due to the issue of new Shares. As at the Latest Practicable Date, the Company has no outstanding convertible securities.

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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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Not applicable. No profit forecast is disclosed in this OIS.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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Not applicable. No profit forecast or profit estimate is disclosed in this OIS.

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

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
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Not applicable. No profit forecast is disclosed in this OIS.

- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part:**
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
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Not applicable. No profit forecast is disclosed in this OIS.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part:**
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
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Not applicable. No profit forecast is disclosed in this OIS.

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

Significant Changes

15. Disclose any event that has occurred from the end of:

- (a) the most recent completed financial year for which financial statements have been published; or**
- (b) if interim financial statements have been published for any subsequent period, that period,**

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this OIS and the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any event which has occurred since 30 June 2016 up to the Latest Practicable Date which has not been publicly announced and which may have a material effect on the financial position and results of the Group.

16. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

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

PART VI OFFER AND LISTING

Offer and Listing Details

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**

The Issue Price is S\$0.0032 for each Rights Share, payable in full on acceptance and/or application.

The expenses incurred in connection with the Rights Issue will not be specifically charged to subscribers or purchasers of the Rights Shares. The expenses associated with the Rights Issue will be deducted from the gross proceeds received by the Company from the Rights Issue.

An administrative fee will be charged by the relevant Participating Bank(s) for each Electronic Application. Such administrative fee shall be borne by the subscribers of the Rights Shares.

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2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

Not applicable. The Shares are, and the Rights Shares will be, traded on the Catalist.

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

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

None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions outside Singapore, only Entitled Shareholders are eligible to participate in the Rights Issue subject to and upon terms and conditions set out in this OIS. Please refer to the section titled "Eligibility of Shareholders to Participate in the Rights Issue" of this OIS for further information.

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4. **If securities of the same class as those securities being offered are listed for quotation on any securities exchange:**
- (a) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:**

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

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- (a) The price range and volume of the Shares traded on the SGX-ST for each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 November 2016 to the Latest Practicable Date are as follows:

Month	Price Range		Volume
	High (S\$)	Low (S\$)	('000)
November 2015	0.004 ⁽¹⁾	0.001 ⁽¹⁾	304,741 ⁽¹⁾
December 2015	0.002	0.001	296,379
January 2016	0.002	0.001	49,761
February 2016	0.002	0.001	9,136
March 2016	0.002	0.001	10,151
April 2016	0.002	0.001	29,478
May 2016	0.025 ⁽²⁾	0.001 ⁽²⁾	2,093
June 2016	0.022 ⁽²⁾	0.014 ⁽²⁾	122
July 2016	0.017 ⁽²⁾	0.005 ⁽²⁾	3,369
August 2016	0.016 ⁽²⁾	0.002 ⁽²⁾	497
September 2016	0.029 ⁽²⁾	0.003 ⁽²⁾	3,190
October 2016	0.012 ⁽²⁾	0.006 ⁽²⁾	115
November 2016 to Latest Practicable Date	0.010 ⁽²⁾	0.006 ⁽²⁾	23,995

Source: Bloomberg L.P.³⁾

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

Notes:

- (1) *The Shares have been suspended since 18 June 2012 and resumed trading on 24 November 2015. Please refer to paragraph (c) below for further details.*
 - (2) *The Company completed the Share Consolidation on 16 May 2016.*
 - (3) *Bloomberg L.P. has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for these statements under Section 253 and Section 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of the content of these statements. The Company is not aware of any disclaimers made by Bloomberg L.P. in relation to these quotes.*
- (b) Not applicable. The Shares have been listed and quoted on the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.
- (c) The Company had requested for a trading halt on 14 June 2012 at 8:55 a.m pending release of the notice of annual general meeting for FY2011 and despatch of the annual report for FY2011. Subsequently, the Company had on 18 June 2012 at 5:55 p.m requested for suspension with effect from 19 June 2012 at 8:55 a.m. The announcement on 18 June 2012 stated that the signed audited financial statements was only received by CNP on the same date and that CNP needed time to review the independent auditors report, statement of directors and the 2011 financial statements with possible follow-on questions. As such, the Company applied to the SGX-ST for a further extension to hold annual general meeting for FY2011.
- As announced on 26 February 2015, the Company had submitted a resumption proposal to the SGX-ST and the Company was working with its sponsor and consulting the SGX-ST on its resumption proposal. On 13 November 2015, the Company announced that it has received a letter from SGX-ST on the same day in connection with the Company's application for resumption of trading in the Company's Shares, stating that SGX-ST have no further comments on the Company's resumption proposal subject to *inter alia*, various disclosure, as well as submission of undertakings stated in the announcement dated 13 November 2015. On 23 November 2015, the Company requested for the resumption of trading with effect from 9.00 a.m on 24 November 2015 and has received no objections from SGX-ST in relation to its application for the resumption of trading. The Company resumed trading on 24 November 2015.
- Save as disclosed above and save for the temporary trading halts to cater for the release of announcements by the Company on the website of the SGX-ST at <http://www.sgx.com> in accordance with the requirements of the Catalist Rules, there has not been any other significant trading suspension of the Shares that has occurred on the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.
- (d) Please refer to paragraph (a) above for the volume of Shares traded during each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 November 2016 to the Latest Practicable Date. Based on the information set out therein, the Company is of the view that the Shares were traded regularly on the SGX-ST.

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5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide:
- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.

Not applicable. The Rights Shares, when issued and allotted, will rank *pari passu* in all respects with the then Existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue and allotment of the Rights Shares.

The Rights Shares are to be issued pursuant to the share issue mandate granted to the Directors at the extraordinary general meeting of the Company held on 5 September 2016.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Number of Rights Shares

Based on the Maximum Subscription Scenario, 1,683,741,510 Rights Shares are expected to be issued pursuant to the Rights Issue. Based on the Minimum Subscription Scenario, 59,850,000 Rights Shares are expected to be issued pursuant to the Rights Issue.

Basis of provisional allotment

The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders, on the basis of nine (9) Rights Shares for every one (1) Existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, being disregarded.

The Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the then Existing Shares save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue and allotment the Rights Shares.

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

Provisional allotments of Rights Shares which are not otherwise taken up or allotted for any reason in accordance with the terms of the Rights Issue, shall be used to satisfy Excess Rights Shares applications as the Directors may, in their absolute discretion, deem fit. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

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Issue Price

S\$0.0032 for each Rights Share.

Entitled Shareholders

Entitled Shareholders will be at liberty to accept, decline, renounce (in full or in part) or in the case of Entitled Depositors only, trade on the Catalist of SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue. Entitled Depositors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through CDP or by way of an Electronic Application (as may be applicable).

The Rights Issue will not be underwritten and will not be offered through any broker or dealer. In view of the Group's past performance and "lifting" of suspension in November 2015, the Group is not in favourable position and has difficulties in obtaining the required financing with acceptable and appropriate terms and conditions from financial institutions to meet its working capital requirements. Likewise, the Rights Issue will not be underwritten for the above reasons and in view of the Irrevocable Undertakings, the cost that may be incurred in the event of underwriting as well as the time that may be taken for the completion of the Rights Issue. Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this OIS for information on the Irrevocable Undertakings.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions outside Singapore, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled "**Eligibility of Shareholders to Participate in the Rights Issue**" of this OIS for further details.

Terms and Conditions

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, the PAL, the ARE and the ARS.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Not applicable. The Rights Issue is not underwritten. Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this OIS for information on the Irrevocable Undertakings.

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PART VII ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.

Not applicable. No statement or report attributed to a person as an expert is included in this OIS.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert:
- (a) state the date on which the statement was made;
 - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and
 - (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.

Not applicable. No statement or report made by an expert is included in this OIS.

3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.

Not applicable. No statement or report attributed to a person as an expert or made by an expert is included in this OIS.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.

The Manager has given and has not, before the lodgement of this OIS, withdrawn its written consent to being named in this OIS as the Manager of the Rights Issue.

No underwriter has been appointed in relation to the Rights Issue.

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

Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly:
- (a) the relevant entity's business, operations or financial position or results; or
 - (b) investments by holders of securities in the relevant entity.

Save as disclosed in this OIS and the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any other matters not disclosed under any other paragraph of this Offer Information Statement which could materially affect, directly or indirectly (a) the Group's business, operations or financial position or results; or (b) investments by holders of securities in the Group.

PART VIII ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART IX ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

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**PART X
ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE**

1. Provide –

(a) the particulars of the rights issue;

Number of Rights Shares : Based on the Maximum Subscription Scenario, up to 1,683,741,510 Rights Shares are expected to be issued pursuant to the Rights Issue.

Based on the Minimum Subscription Scenario, 59,850,000 Rights Shares are expected to be issued pursuant to the Rights Issue.

Basis of Provisional Allotment : The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders, on the basis of nine (9) Rights Shares for every one (1) Existing Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

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

Provisional allotments of Rights Shares which are not otherwise taken up or allotted for any reason in accordance with the terms of the Rights Issue, shall be used to satisfy Excess Rights Shares applications as the Directors may, in their absolute discretion, deem fit. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

Issue Price : S\$0.0032 for each Rights Share, payable in full on acceptance of the provisional allotments for the Rights Shares and/or application for the Excess Rights Shares.

The Issue Price represents a discount of approximately:

- (i) 77.1% from the closing price of S\$0.014 per Share on the SGX-ST on 30 June 2016, being the date of the announcement of the Rights Issue; and

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25.2% from the theoretical ex-Rights trading price of S\$0.004 per Share, calculated based on the closing price of S\$0.014 per Share on the SGX-ST on 30 June 2016 and assuming that the maximum number of Rights Shares are issued under the Maximum Subscription Scenario pursuant to the Rights Issue.

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

Eligibility to Participate in the Rights Issue : Please refer to the section titled “**Eligibility of Shareholders to Participate in the Rights Issue**” of this OIS.

Trading of “nil-paid” Rights : Entitled Depositors should note that the “nil-paid” Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST’s unit share market.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the Catalist can do so for the period commencing on 11 November 2016 from 9.00 a.m., being the date and time of commencement of the “nil-paid” Rights trading period, and ending on 25 November 2016 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last date and time of the “nil-paid” Rights trading period.

Acceptances, excess applications and payment procedures : Entitled Shareholders will be at liberty to accept, decline, renounce (in full or in part) or in the case of Entitled Depositors only, trade on the Catalist of SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue. Entitled Depositors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through CDP or by way of an Electronic Application (as may be applicable).

The procedures for acceptance, excess application and payment by Entitled Depositors and the procedures for acceptance, splitting, renunciation, excess application and payment by Entitled Scripholders are set out in Appendices I to III to this Offer Information Statement and in the PAL, the ARE and the ARS.

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- Scaling Provisions** : Depending on the level of acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares, the Company will, if necessary, and upon approval of the Sponsor and/or the SGX-ST, scale down acceptances of the provisional allotments of Rights Shares and/or applications for Excess Rights Shares pursuant to the Rights Issue to avoid placing the relevant Shareholder and parties acting in concert with him (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code as a result of *inter alia* other Entitled Shareholders not taking up their Rights Shares entitlements fully.
- Net proceeds** : Under the Maximum Subscription Scenario, based on 1,683,741,510 Rights Shares to be issued, the estimated net proceeds from the Rights Issue and after deducting estimated expenses of S\$0.30 million is expected to be approximately S\$5.09 million. Assuming only the Minimum Subscription Scenario, no Net Proceeds will be raised.
- Use of proceeds** : The Company intends to utilise the Net Proceeds in the Maximum Subscription Scenario for the Group's general working capital purpose (including but not limited to operational expenses and repayment of the loan to Industrial Electronics (S) Pte Ltd which was announced on 5 August 2016 and 27 October 2016). Assuming only the Minimum Subscription Scenario, no Net Proceeds will be raised.
- Pending disbursement of the Net Proceeds for working capital requirements (being gross proceeds from the Rights Issue, after deducting expenses for the Rights Issue), the funds may be placed as deposits with financial institutions in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may, in their absolute discretion, deem fit.
- Listing of Rights Shares** : The Company had, on 3 August 2016, received the LQN from the SGX-ST for the listing of and quotation for the Rights Shares on the Catalist, subject to, *inter alia*, compliance with the SGX-ST's listing requirements.
- The LQN from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its Subsidiaries and their securities.
- Trading of Rights Shares** : Upon the listing and quotation on the Catalist, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Non-underwritten basis** : The Rights Issue is not underwritten.

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Irrevocable Undertakings : To show its support for the Rights Issue and to demonstrate its commitment and confidence in the Company, the Undertaking Shareholder has undertaken to subscribe and/or procure Go Best or such other parties to subscribe and pay for 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares amounting to approximately S\$0.54 million in aggregate. In addition, Go Best has undertaken, *inter alia*, to subscribe and pay in full for all Mission Well's entitlements of 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares, as procured by Mission Well.

Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this OIS for information on the Irrevocable Undertakings.

Risk factors : Investing in the Rights Shares involves risks. Please refer to paragraph 9 of Part V (Operating and Financial Review and Prospects) of this Offer Information Statement for details of such risks.

Governing Law : Laws of the Republic of Singapore.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

21 November 2016 at 5.00 p.m. Please refer to the section entitled “**Expected Timetable of Key Events**” for more details.

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

25 November 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications). Please refer to the section entitled “**Expected Timetable of Key Events**” for more details.

(d) the last day and time for renunciation of and payment by the renouncee for the securities to be issued pursuant to the rights issue;

25 November 2016 at 5.00 p.m. Please refer to the section entitled “**Expected Timetable of Key Events**” for more details.

(e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this OIS, in particular, Appendices I to III to this OIS and in the PAL, the ARE and the ARS.

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- (f) **the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**
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The Rights Issue is supported by the Undertaking Shareholder, Mission Well, which as at the Latest Practicable Date, has a direct interest comprising 14,200,000 Shares representing approximately 7.59% of the Existing Share Capital.

To show its support for the Rights Issue and to demonstrate its commitment and confidence in the Company, the Undertaking Shareholder has undertaken to subscribe and/or procure Go Best or such other parties to subscribe and pay for 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares amounting to approximately S\$0.54 million in aggregate. In addition, Go Best has undertaken, *inter alia*, to subscribe and pay in full for all Mission Well's entitlements of 127,800,000 Entitled Rights Shares and 40,950,000 Excess Rights Shares, as procured by Mission Well.

Mr. Christian Kwok-Leun Yau Heilesen, the Executive Director of the Company, is deemed to be interested in the 14,200,000 Shares held by Mission Well as he is the director and sole shareholder of Mission Well.

Go Best is a company incorporated in the British Virgin Islands whose ultimate shareholder is a financial institution (held via various BVI vehicles) which is the trustee for family members of Mr. Christian Kwok-Leun Yau Heilesen. Mr. Christian Kwok-Leun Yau Heilesen will be deemed interested in the Rights Shares to be subscribed by Go Best pursuant to the Go Best Irrevocable Undertaking.

In addition to the above, the Undertaking Shareholder has also undertaken to ensure that none of the Shares in which it currently has an interest (directly or indirectly), are sold, transferred or otherwise disposed of during the period between the date of the Mission Well Irrevocable Undertaking and the Books Closure Date.

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- (g) **if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**
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In view of the Group's past performance and "lifting" of suspension in November 2015, the Group is not in favourable position and has difficulties in obtaining the required financing with acceptable and appropriate terms and conditions from financial institutions to meet its working capital requirements. Likewise, the Rights Issue will not be underwritten for the above reasons and in view of the Irrevocable Undertakings, the cost that may be incurred in the event of underwriting as well as the time that may be taken for the completion of the Rights Issue.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE UNDER APPENDIX 8A OF THE CATALIST RULES

1. A review of the working capital for the last three (3) financial years and the latest half year (if applicable).

The total current assets, total current liabilities and working capital of the Group for FY2013, FY2014, FY2015 and HY2016 are as follows:

	Unaudited as at 30 June 2016 S\$'000	Audited as at 31 December 2015 S\$'000	Audited as at 31 December 2014 S\$'000	Audited as at 31 December 2013 S\$'000
Current assets				
Inventories	231	180	677	562
Trade receivables	1,080	1,198	1,440	921
Other receivables, deposits and prepayments	556	720	4,431	5,274
Fixed deposits	3,080	3,096	85	773
Cash and cash equivalents	438	1,499	2,631	615
Assets directly associated with disposal group classified as held for sale	—	—	—	4,832
Total current assets	5,385	6,692	9,264	12,978
Current liabilities				
Trade payables	193	230	680	238
Other payables and accruals	1,805	3,652	3,250	1,299
Borrowings	—	—	—	1,567
Lease obligations	3	7	7	7
Income tax payable	57	60	928	805
Liabilities directly associated with disposal group classified as held for sale	—	—	—	3,978
Total current liabilities	2,058	3,947	4,865	7,894
Net working capital	3,327	2,745	4,399	5,084

HY2016 vs FY2015

The Group reported an increase in net working capital in HY2016 as compared to FY2015 of approximately S\$0.6 million. The increase in working capital in HY2016 was mainly due to the decrease in current liabilities from approximately S\$3.9 million in FY2015 to approximately S\$2.1 million in HY2016, partly offset by the decline in current assets from approximately S\$6.7 million in FY2015 to approximately S\$5.4 million in HY2016.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE UNDER APPENDIX 8A OF THE CATALIST RULES

FY2015 vs FY2014

The Group reported a significant decline in net working capital in FY2015 as compared to FY2014 of approximately S\$1.7 million. The decrease in the working capital in FY2015 was mainly due to the decrease in total current assets from approximately S\$9.3 million in FY2014 to approximately S\$6.7 million in FY2015 coupled with a decrease in total current liabilities from approximately S\$4.4 million in FY2014 to approximately S\$3.9 million in FY2015.

FY2014 vs FY2013

The Group reported a significant decline in net working capital in FY2014 as compared to FY2013 of approximately S\$0.7 million. The decrease in the working capital in FY2014 was mainly due to the decrease in total current assets from approximately S\$13.0 million in FY2013 to approximately S\$9.3 million in FY2014 coupled with a decrease in total current liabilities from approximately S\$7.9 million in FY2013 to approximately S\$4.9 million in FY2014.

2. Convertible securities

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

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

3. Responsibility statements

A statement by the sponsor and each financial adviser in the form set out in Practice Note 12A.

As provided in Appendix 8A of the Catalist Rules, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

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

1. INTRODUCTION

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

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in the Offer Information Statement as well as the ARE.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the “Free Balance” of your Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or the Offer Information Statement, at CDP’s absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/ OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

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

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

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Bank(s). Please refer to Appendix III of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of Excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/ Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
 - (i) by hand to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or

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

- (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147,**

in each case so as to arrive not later than **5.00 P.M. ON 25 NOVEMBER 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — VASHION RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix I which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

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

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the unit share market of the SGX-ST during the provisional allotment trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy from The Central Depository (Pte) Limited. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore ("**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF NINE (9) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE AT AN ISSUE PRICE OF S\$0.0032)

As an illustration, if an Entitled Depositor has 1,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 9,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

- (a) Accept his entire provisional allotment of 9,000 Rights Shares and (if applicable) apply for Excess Rights Shares.

- (1) Accept his entire provisional allotment of 9,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 9,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$28.80 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — VASHION RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s)

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as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- | | |
|--|--|
| <p>(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST.</p> | <p>(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30p.m. on 25 November 2016; or</p> <p>(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$3.20, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than 5.00 p.m. on 25 November 2016 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> |
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The balance of the provisional allotment of 8,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

- | | |
|--|---|
| <p>(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.</p> | <p>(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 25 November 2016 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or</p> <p>(2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$3.20, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than 5.00 p.m. on 25 November 2016 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> |
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APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

The balance of the provisional allotment of 8,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 25 November 2016** or if an acceptance is not made through CDP by **5.00 p.m. on 25 November 2016**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 25 NOVEMBER 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) 5.00 P.M. ON 25 NOVEMBER 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix I, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for excess Right Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate

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all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Substantial Shareholders and Directors will rank last in priority. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within 3 business days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the

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Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Shares through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — VASHION RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **VASHION GROUP LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Shares is effected by **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

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

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Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotment of Rights Shares and (if applicable) your application for Excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

CDP Phone User Guide

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

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

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6. Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Bank(s), the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST, the Company and the Manager (the “**Relevant Persons**”) for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable laws, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

7. PROCEDURE TO COMPLETE THE ARE / ARS

7.1 Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares
currently held by you

XX,XXX

Shares as at
XX January 2015
(Record Date)

Number of Rights
Shares provisionally
allotted*

XX,XXX

Issue Price

S\$0.0X per Rights Share

This is your
shareholdings as at
Record Date.

This is the date to
determine your rights
entitlements.

This is your number of
rights entitlement.

This is price that you
need to pay when you
subscribe for one
rights share.

7.2 Select your application options

B. SELECT YOUR APPLICATION OPTIONS

- 1. ATM** Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by XX September 2015 at 9.30 p.m.
Participating Banks are XXX, XXX and XXX.

- 2. MAIL** Complete section below and submit this form to CDP by XX September at 5.00 p.m.

- (i) Only BANKER'S DRAFT/CASHIER'S ORDER payable to “**CDP-XXXXX RIGHTS ISSUE ACCOUNT**” will be accepted
(ii) Applications using a PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER will be **rejected**
(iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date
and time to subscribe
for the rights share
through ATM and
CDP.

You can apply your
rights shares through
ATMs of these
participating banks.

This is the payee
name to be issued on
your Cashier's Order
where XXXXX is the
name of the issuer.

Note:

- (1) Please refer to the ARE/ARS for the actual holdings, entitlements, Books Closure Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

7.3 Declaration

Please read the instructions overleaf and fill in the blanks below accordingly.

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Signature of Shareholder(s)

Date _____

Fill in the total number of the rights shares and excess rights shares (for ARE)/ number of rights shares (for ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of
the CO / BD number
(eg.001764) within
the boxes.

Sign within the box.

- (1) If the total number of Rights Shares applied for exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (2) The total number of Rights Shares applied for will be based on the cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.
- (3) Please note to submit one Cashier's Order per application form.

7.4 Sample of a Cashier's Order

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

1. INTRODUCTION

- 1.1 Acceptances of the provisional allotment of Rights Shares and/or any excess application for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this OIS. Entitled Scripholders are entitled to receive this OIS and the PAL which incorporates the following documents, and forms part of this OIS:

PAL incorporating:

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

- 1.2 The acceptance of the provisional allotments of Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this OIS, (if applicable) the Constitution and the instructions in the PAL.

The number of Rights Shares provisionally allotted to each Entitled Scripholder is indicated in the PAL (fractional entitlements (if any) having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.

- 1.3 Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and the procedures to be adopted should the Entitled Scripholders wish to renounce, transfer or split all or part of their provisional allotments are set out in this OIS as well as the PAL.

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

- 1.5 With regard to any acceptance, application and/or payment which does not conform strictly to the terms and conditions of this OIS, (if applicable) the Constitution, the instructions in the PAL and/or any other application form for Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or with the terms and conditions of this OIS, or in the case of an application by the ARE, the ARS, the PAL and/or any other acceptance of Rights Shares and/or any application for Excess Rights in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance or if the “**Free Balance**” of the Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the PAL or this OIS, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such application, payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.

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

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

- 1.7 **Entitled Scripholders who intend to trade any part of their provisional allotment of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

- 1.8 Unless expressly provided to the contrary in this OIS and/or the PAL in respect of enforcement against Entitled Scripholders or their renounees, a person who is not a party to any contracts made pursuant to this OIS and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this OIS, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept all of his provisional allotments of Rights Shares or to accept any part of it and decline the balance must:

- (a) complete and sign the Form A (Form of Acceptance) for the number of Rights Shares which he wishes to accept; and
- (b) deliver the duly completed and signed original of the PAL, accompanied by **A SINGLE REMITTANCE** for the full amount payment for the relevant number of Rights Shares accepted to **VASHION GROUP LTD. C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD. AT 333 NORTH BRIDGE ROAD #08-00 KH KEA BUILDING SINGAPORE 188721** so as to arrive at the Share Registrar not later than **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Shareholder, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of Appendix II entitled “**Appropriation**” to this OIS which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine and appropriate all amounts received by the Share Registrar on behalf of the Company whether under the PAL or any other application form for the Rights Shares in relation to the Rights Issue.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotment of Rights Shares, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore to be applied towards the payment of the provisional allotment of the Rights Shares.

3. REQUEST FOR SPLITTING (FORM B) AND FORM OF RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using Form B (Request for Splitting) request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (the “**Split Letters**”) according

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

to their requirements. The duly completed and signed original of Form B (Request for Splitting) together with the PAL in its **ENTIRETY**, should be delivered, by post, **at the sender's own risk**, in the self-addressed envelope provided, to **VASHION GROUP LTD. C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD. AT 333 NORTH BRIDGE ROAD #08-00 KH KEA BUILDING SINGAPORE 188721** so as to arrive at the Share Registrar not later than **5.00 p.m. on 21 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (Request for Splitting) together with the PAL in its **ENTIRETY**, is received after **5.00 p.m. on 21 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholder intends to renounce, may be renounced by completing and signing the Form C (Form of Renunciation) before delivery to the renounee. Entitled Scripholders should complete Form A (Form of Acceptance) of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and deliver the duly completed and signed original of the Split Letter(s), accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided to **VASHION GROUP LTD. C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD. AT 333 NORTH BRIDGE ROAD #08-00 KH KEA BUILDING SINGAPORE 188721**, so as to arrive at the Share Registrar not later than **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C (Form of Renunciation) for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its **ENTIRETY** to the renounee(s).

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PAL(s) and/or Split Letter(s) renounced in his favour by completing and signing Form A (Form of Acceptance) and Form D (Form of Nomination) and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them and payment of the total amount due may be made with one Cashier's Order or Banker's Draft and drawn on a bank in Singapore and complying with the requirements aforesaid. No receipt or acknowledgement will be issued for any acceptance and (if applicable) application or payment received.

A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete Form D (Form of Nomination) of only one (1) PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL stated on each of them.

ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D, (AS THE CASE MAY BE).

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

5. PAYMENT

- 5.1 Payment in relation to the PAL must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"VASHION RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The duly completed and signed original of the PAL, accompanied by a **SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares should be addressed and forwarded, by post in the self-addressed envelope provided at the sender's own risk, to **VASHION GROUP LTD. C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD. AT 333 NORTH BRIDGE ROAD #08-00 KH KEA BUILDING SINGAPORE 188721** so as to arrive at the Share Registrar not later than **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER MODES OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- 5.2 If acceptance and payment for the Rights Shares in the prescribed manner as set out in the PAL and this OIS is not received through the Share Registrar by **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Scripholder or renounees, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by the Share Registrar on behalf of the Company to Entitled Scripholder or renounees (as the case may be) without interest or any share of revenue or other benefit arising therefrom, **by ordinary post at their own risk** within fourteen (14) days after the Closing Date.

6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1 Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by delivering the duly completed and signed original of the Form E (Excess Rights Shares Application Form), accompanied by a **SEPARATE REMITTANCE** for the full amount payment for the relevant number of Excess Rights Shares applied for in the form and manner set out in paragraph 5 above, by post in the self-addressed envelope provided at their own risk to **VASHION GROUP LTD. C/O THE SHARE REGISTRAR, KCK CORP SERVE PTE. LTD. AT 333 NORTH BRIDGE ROAD #08-00 KH KEA BUILDING SINGAPORE 188721** so as to arrive at the Share Registrar not later than **5.00 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER MODES OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

For the avoidance of doubt and notwithstanding anything in this OIS, only Entitled Shareholders (and not the Purchasers or renounees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.

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

- 6.2 The Excess Rights Shares available for application are subject to the terms and conditions contained in this OIS, (if applicable) the Constitution and the instructions in the PAL. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders; the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotment of Rights Shares, together with the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this OIS, (if applicable) the Constitution and the instructions contained in the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The Company reserves the right to reject any application for Excess Rights Shares, in full or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Scripholder is less than the number of Excess Rights Shares applied for, the Entitled Scripholder shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

- 6.3 If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies (as the case may be) will be refunded to the Entitled Scripholder without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date, by a crossed cheque drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing addresses in Singapore as maintained with the Share Registrar.

7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.
- 7.2 **IF AN ENTITLED SCRIPHOLDER OR RENOUNCEE (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**
- 7.3 Upon the listing and quotation on the Catalist of the SGX-ST, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited**", as the same may be amended from time to time, copies of which are available from CDP.
- 7.4 **Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or (if applicable) apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their**

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

Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and, if applicable, the Excess Rights Shares allotted to them. Such physical share certificates for the Rights Shares, if issued, will be forwarded by ordinary post at their own risk and will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

- 7.5 If the Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotments and other correspondence will be sent to his address as maintained with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on SGX-ST, must deposit his share certificate(s) with CDP, together with the duly executed instruments of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or Existing Shares (as the case may be) before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES OF AND/OR EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 PM ON 25 NOVEMBER 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

8. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Shareholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix I) for the Purposes (as defined in Appendix I); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX III – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Bank(s) (the **“Steps”**). Please read carefully the terms and conditions of this OIS, the Steps and the terms and conditions for an Electronic Application set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept and (if applicable) apply for Rights Shares at an ATM belonging to other Participating Bank(s). Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which such Electronic Application is made will be rejected.

Any reference to the **“Applicant”** in the terms and conditions for an Electronic Application and the Steps shall mean the Entitled Depositor or the Purchaser of the provisional allotment who accepts or (as the case may be) who applies for the Rights Shares by way of an Electronic Application. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Bank(s) before he can make an Electronic Application at the ATM of that Participating Bank.

The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the **“Transaction Record”**), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM Card issued to him in his own name. Using his own Securities Account number with an ATM Card which is not issued to him in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

An Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this OIS including but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) that he has received a copy of this OIS and has read, understood and agreed to all the terms and conditions of acceptance and (as the case may be) application for the Rights Shares under the Rights Issue and this OIS prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number, and application details (the **“Relevant Particulars”**) from his account with that Participating Bank to the Share Registrar, Securities Clearing & Computer Services (Pte) Ltd, CPF Board, CDP, the SGX-ST, the Manager and the Company (the **“Relevant Parties”**).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the **“Enter”** or **“OK”** or **“Confirm”** or **“Yes”** key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two (2) statements above. In respect of statement 1(b) above, his confirmation, by pressing the **“Enter”** or **“OK”** or **“Confirm”** or **“Yes”** key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act (Chapter 19) of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.

APPENDIX III – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of Rights Shares as may be standing to the credit of the “**Free Balance**” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as final and binding.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key on the ATM) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.
- (5) In the event that the Applicant accepts the Rights Shares both by way of the ARE and/or the ARS (as the case may be) and by an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as they may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the “**Free Balance**” of his Securities Account as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of ARE and/or ARS (as the case may be) and by an Electronic Application. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Banker’s Draft or Cashier’s Order drawn on a bank in Singapore accompanying the ARE and/or ARS (as the case may be) and by an Electronic Application which the Applicant has authorised or is deemed to have authorized to be applied towards the payment in respect of his acceptance.
- (6) If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and by an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as they may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of ARE and by an Electronic Application. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the Excess Rights Shares, whether by way of Banker’s Draft or Cashier’s Order drawn on a bank in Singapore accompanying the ARE and by an Electronic Application.
- (7) The Applicant irrevocably requests and authorises the Company to:
 - (a) register, or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant’s bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date; and

APPENDIX III – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

- (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Share Registrar, the Manager, the Company and/or the Receiving Bank) and any events whatsoever beyond the control of CDP, the Participating Banks, the Share Registrar, the Manager, the Company, and the Receiving Bank and if, in any such event, CDP and/or the Participating Banks and/or the Share Registrar and/or the Manager and/or the Company and/or the Receiving Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 25 November 2016**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Share Registrar, the Company, the Receiving Bank and/or the Manager for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays between 9.00 a.m. to 9.30 p.m. (excluding public holidays).**
- (11) Electronic Applications shall close at **9.30 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank(s) will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within fourteen (14) days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
- (15) In consideration of the Company arranging for Electronic Application facility through the ATMs of the Participating Bank(s) and agreeing to close the Rights Issue at **9.30 p.m. on 25 November 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Applicant agrees that:
 - (a) his Electronic Application is irrevocable (whether or not to the extent permitted by law, any supplementary or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the SGX-ST acting as agent on behalf of the Authority);

APPENDIX III – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

- (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, the Manager, CDP, the CPF Board, the Participating Bank(s), the Receiving Bank nor the Share Registrar shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 of Appendix III to this OIS or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) his application for Excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this OIS or the Electronic Application, a person who is not a party to any contracts made pursuant to this OIS or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore, to enforce any term of such contracts. Notwithstanding any term contained in this OIS, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank(s) are correct and identical; otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address in the records of CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for Excess Rights Shares (as the case may be) by way of ARE and/or ARS or by way of an Electronic Application, the Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies (as the case may be) will be refunded, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date by:
- (a) crediting the Applicant's bank account with the relevant Participating Bank at his own risk (if he accepts and (if applicable) applies by way of an Electronic Application), the receipt by such bank being a good discharge to the Company, CDP and the Manager of their obligations, if any, thereunder; and/or
 - (b) a crossed cheque drawn on a bank in Singapore and **SENT BY ORDINARY POST AT HIS OWN RISK** to his mailing addresses in Singapore in the records of CDP, or in such other manner as he may have agreed with CDP for the payment of any cash distributions (if he accepts and (if applicable) applies through CDP).

APPENDIX III – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and/or CDP are entitled and the Applicant hereby authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE or any other form of application (including an Electronic Application) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the **"Free Balance"** of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

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

- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.
- (21) With regard to any acceptance, application and/or payment which does not conform strictly to the terms and conditions of this OIS, (if applicable) the Constitution, instructions in the ARE and/or ARS and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the **"Free Balance"** of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application, payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX IV – LIST OF PARTICIPATING BANK(S)

PARTICIPATING BANK(S) FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

1. United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

DIRECTORS' RESPONSIBILITY STATEMENT

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

Dated 9 day of November 2016

BOARD OF DIRECTORS OF VASHION GROUP LTD.

Mr Chan Siew Wei
(Chairman, Lead Independent Director)

Mr Christian Kwok-Leun Yau Heilesen
(Executive Director)

Mr Tan Chin Lee
(Independent Director)

Ms Zhou Jia Lin
(Non-Executive Non-Independent Director)

Mr Leung Kwok Kuen Jacob
(Non-Executive Non-Independent Director)