



SoilBuild

CONSTRUCTION GROUP LTD

SOILBUILD CONSTRUCTION GROUP LTD.

(Company Registration No. 201301440Z)

(Incorporated in the Republic of Singapore)

**NOTICE OF ADJUSTMENTS TO THE 2019 WARRANTS IN CONNECTION WITH
A PREFERENTIAL OFFERING AND EFFECTIVE DATE FOR SUCH ADJUSTMENTS**

To: ALL HOLDERS OF 2019 WARRANTS ("**2019 WARRANTHOLDERS**") TO SUBSCRIBE FOR NEW SHARES IN SOILBUILD CONSTRUCTION GROUP LTD. (THE "**COMPANY**")

*In this notice, the term "2019 Warrants" refers to all warrants issued by the Company, the terms and conditions of which are set out in the instrument by way of a deed poll executed by the Company on 25 July 2019 (the "**2019 Instrument**"). Unless otherwise defined, all terms used herein shall bear the same meanings as in the Announcements (as defined below).*

The directors of the Company (the "**Directors**") refer to the SGXNET announcements to shareholders of the Company dated 28 April 2023, 15 May 2023, 19 May 2023, 22 May 2023 and 26 May 2023 (the "**Announcements**") relating to the proposed *pro rata* and non-renounceable non-underwritten preferential offering (the "**Preferential Offering**") of up to 294,432,468 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.038 for each Rights Share, on the basis of one (1) Rights Share for every four (4) existing ordinary shares in the capital of the Company ("**Shares**") held by the Entitled Shareholders as at 23 May 2023, fractional entitlements to be disregarded and the notice to 2019 Warrantholders dated 19 May 2023 relating to the record date for the adjustment to the 2019 Warrants being 5 June 2023 ("**2019 Warrants Record Date**") in connection with the Preferential Offering.

Pursuant to the Preferential Offering and the terms and conditions of the 2019 Instrument, an adjustment will be required to be made to the existing number and exercise price of the 2019 Warrants, allotted and issued by the Company (i) on 29 July 2019 pursuant to the *pro rata* and non-renounceable non-underwritten preferential offering of new Shares undertaken by the Company which was completed on 29 July 2019 and (ii) on 11 January 2023 pursuant to the adjustment to the number of 2019 Warrants as a result of the *pro rata* and non-renounceable non-underwritten preferential offering of new Shares undertaken by the Company which was completed on 18 January 2023.

In accordance with Condition 5.2.4 of the terms and conditions of the 2019 Instrument, the following adjustment to the existing number of 2019 Warrants has been made in connection with the Preferential Offering:

	Before Adjustment	After Adjustment
Total number of 2019 Warrants outstanding	183,759,161*	185,615,237

* Based on the total number of 2019 Warrants outstanding as at the 2019 Warrants Record Date

The number of 2019 Warrants has been increased by 1,856,076 additional 2019 Warrants ("**Additional 2019 Warrants**") after applying a ratio of approximately 1.010 to the existing number of 2019 Warrants held by each holder of 2019 Warrants as at the 2019 Warrants Record Date, based on the specific formula set out below, and thereafter rounding the derived number downwards to the nearest whole 2019 Warrant.

Pursuant to Conditions 5.2.4 and 5.4 of the terms and conditions of the 2019 Instrument, the existing exercise price of the 2019 Warrants would have been decreased by S\$0.003, from S\$0.073 to S\$0.070, after (i) applying a ratio of approximately 0.990 to the existing exercise price of the 2019 Warrants, (ii) taking into account the adjustment to the exercise price of the 2019 Warrant pursuant to the January 2023 Preferential Offering carried forward, and thereafter (iii) rounding upwards to the nearest half cent (S\$0.005). As the reduction in exercise price of the 2019 Warrants will be less than half cent (S\$0.005), no adjustment will be made to the exercise price of the 2019 Warrants, but such adjustment will be carried forward and taken into account appropriately in any subsequent adjustment.

The above adjustments to the existing number of 2019 Warrants and the existing exercise price of the 2019 Warrants have been reviewed to be in accordance with the following formula, pursuant to Condition 5.2.4 of the terms and conditions of the 2019 Instrument:

$$\text{Adjusted number of 2019 Warrants} = \frac{E}{E - F} \times W$$

$$\text{New 2019 Warrant exercise price} = \frac{E - F}{E} \times X$$

where:

E = the Last Dealt Price (as defined in the 2019 Instrument) on 27 April 2023 (as there were no trades done on the SGX-ST since 27 April 2023 up to 28 April 2023, being the date of announcement of the Preferential Offering);

X = existing 2019 Warrant exercise price;

W = existing number of 2019 Warrants held as at the 2019 Warrants Record Date; and

F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

E = as in E above;

G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

The above adjustment to the existing number of 2019 Warrants took effect on 7 June 2023 and had been determined by the Directors in consultation with PricewaterhouseCoopers LLP, the Company's auditors, the report of which is made available for inspection by 2019 Warrantholders at the registered office of the Company, 23 Defu South Street 1, Soilbuild Prefab Innovation Hub, Singapore 533847, during normal business hours until expiry of the said warrants at 5.00 p.m. on 29 July 2024.

Pursuant to the adjustment to the existing number of 2019 Warrants as a result of the Preferential Offering, 1,856,076 Additional 2019 Warrants have been allotted and issued to the entitled 2019 Warrantholders. The Additional 2019 Warrants will be listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited from 9.00 a.m. on or about 7 June 2023.

BY ORDER OF THE BOARD

Lim Han Ren
Executive Director

7 June 2023
Singapore