

## OFFER INFORMATION STATEMENT DATED 17 SEPTEMBER 2019

(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 17 September 2019)

**THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE RIGHTS SHARES AND WARRANTS BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE RIGHTS SHARES AND WARRANTS BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.**

The securities offered are issued by AnnAik Limited (the "Company"), an entity whose shares are listed for quotation on Catalist (as defined herein).

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the 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 an offer information statement (the "Offer Information Statement"), together with copies of the Application Form for Rights Shares with Warrants and Excess Rights Shares with Warrants (the "ARE"), the Application Form for Rights Shares with Warrants (the "ARS") and the Provisional Allotment Letter (the "PAL"), which have 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 Offer Information Statement. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL, including the correctness or accuracy of any of the statements or opinions made in this Offer Information Statement. Neither the Authority nor the SGX-ST has in any way considered the merits of the Rights Shares (as defined herein) being offered for investment.

The lodgement of this Offer Information Statement with the SGX-ST, acting as agent 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 under the SGX-ST's listing rules, have been complied with.

The Company intends to list the Rights Shares, the Warrants, and the Warrant Shares, and an application has been made for permission for the same to be listed and quoted on Catalist. A listing and quotation notice has been obtained from the SGX-ST on 26 July 2019 for the listing of and quotation for the Rights Shares, the Warrants, and the Warrant Shares on Catalist, subject to certain conditions. The listing and quotation notice granted by the SGX-ST for the Rights Shares, the Warrants and the Warrant Shares is not to be taken as an indication of the merits of the Company, its subsidiaries, its securities, the Rights cum Warrants Issue, the Rights Shares, the Warrants and the Warrant Shares. The Rights Shares, the Warrants, and the Warrant Shares will be admitted to Catalist and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, all certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") have been despatched.

Acceptance of applications will be conditional upon issue of the Rights Shares with Warrants and upon listing of and quotation for the Rights Shares with Warrants on Catalist. Monies paid in respect of any application accepted will be returned if the listing of and quotation for the Rights Shares with Warrants does not proceed. **It should be noted that the Warrants may not be listed and quoted on the SGX-ST in the event that there is an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, holders of Warrants will not be able to trade their Warrants on the SGX-ST. However, if holders of the Warrants were to exercise their Warrants to subscribe for Warrant Shares, subject to the terms and conditions of the Warrants, such Warrant Shares will be listed and quoted on the SGX-ST.**

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 our 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" on pages 45 to 49 of this Offer Information Statement, which you should review.**

All the documentation relating to the Rights cum Warrants Issue has been seen and approved by the directors of the Company and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making reasonable enquiries and to their best knowledge and belief, there are no other facts the omission of which would make any statement in these documents misleading.

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

This Offer Information Statement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "Sponsor"), for compliance with the relevant rules of the SGX-ST. 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 Offer Information Statement. The Sponsor has not independently verified the contents of this Offer Information Statement. This Offer Information Statement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Offer Information Statement, including the correctness of any of the statements or opinions made or reports contained in this Offer Information Statement.

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (65) 6415 9886.



## ANNAIK LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 197702066M)

**RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 63,850,725 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (AS DEFINED HEREIN) AT AN ISSUE PRICE OF S\$0.065 FOR EACH RIGHTS SHARE (AS DEFINED HEREIN) AND UP TO 63,850,725 FREE DETACHABLE AND TRANSFERABLE WARRANTS (AS DEFINED HEREIN), WITH EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (AS DEFINED HEREIN) AT AN EXERCISE PRICE OF S\$0.200 FOR EACH WARRANT SHARE (AS DEFINED HEREIN), ON THE BASIS OF ONE (1) RIGHTS SHARE AND ONE (1) WARRANT FOR EVERY FOUR (4) ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (AS DEFINED HEREIN) HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS CUM WARRANTS ISSUE")**

**Manager for the Rights cum Warrants Issue**



HONG LEONG FINANCE

(Incorporated in the Republic of Singapore)  
(Company Registration Number 196100003D)

### IMPORTANT DATES AND TIMES

Last date and time for splitting	:	30 September 2019 at 5.00 p.m.
Last date and time for acceptance and payment	:	4 October 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation and payment	:	4 October 2019 at 5.00 p.m.
Last date and time for excess application and payment	:	4 October 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein))

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## IMPORTANT NOTICE

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

**For Entitled Scripholders, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants may be made through the Share Registrar, RHT Corporate Advisory Pte. Ltd.**

**For Entitled Depositors, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants (may be made through CDP or by way of Electronic Application through ATMs of the Participating Bank (as defined herein).**

**Payment for acceptance and (if applicable) application may also be made by way of Cashier’s Order or Banker’s Draft. Please read Appendix A or, as the case may be, Appendix C of this Offer Information Statement for further information.**

**For Renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants purchased must be done through the respective finance companies or Depository Agents. Such Renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares with Warrants by such Renounees and Purchasers made directly through CDP, the Share Registrar and/or the Company, or by way of Electronic Applications, will be rejected.**

**SRS Investors, investors who hold Shares through a finance company and/or Depository Agent and CPF Investment Scheme investors should read the section entitled “Important Notice to (A) SRS Investors, (B) Investors who hold Shares through a finance company and/or Depository Agent and (C) CPF Investment Scheme investors” on pages 4 and 5 of this Offer Information Statement for important details relating to the application and acceptance procedures.**

The existing Shares of the Company are listed and quoted on the Catalist.

Persons wishing to subscribe for the Rights Shares with Warrants offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, profits and losses, financial position, performance and prospects of the Company and the Group (as defined herein), and the rights and liabilities attaching to the Rights Shares. They should also make, and will be deemed to have made, 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 light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their stockbroker, bank manager, solicitor, accountant or other professional adviser before deciding whether to acquire the Rights Shares or invest in the Company.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement in connection with the Rights cum Warrants

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## IMPORTANT NOTICE

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Issue or the issue of the Rights Shares with Warrants and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement, nor the issue of the Rights Shares with Warrants shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their Renounees should take note of any such announcement and, upon the release of such announcement 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, the Manager, the Group, nor any of their directors, officers, employees, agents, representatives or advisers is making any representation to any person regarding the legality of an investment in the Rights cum Warrants Issue, the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the 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, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, legal or tax advice regarding an investment in the Rights cum Warrants Issue, the Rights Shares with Warrants, the Warrants, the Warrant Shares and/or the Shares.

None of the Company, the Manager, the Group, nor any of their directors, officers, employees, agents, representatives or advisers is making any representation, warranty or recommendation whatsoever as to the merits of the Rights cum Warrants Issue, the Rights Shares with Warrants, the Warrants, the Warrant Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or purchase the Rights Shares with Warrants. Each prospective subscriber of the Rights Shares with Warrants should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares with Warrants under the Rights cum Warrants Issue and may not be relied upon by any persons other than the Entitled Shareholders (and their Renounees) to whom it is despatched by the Company, or for any other purpose.

This Offer Information Statement and its accompanying documents may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation to anyone in any jurisdiction or under 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 terms of the Rights cum Warrants Issue do not contravene any laws and regulations governing the Company and the Constitution of the Company.

**The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Shareholders or any other person having possession of this Offer Information Statement or its accompanying documents are advised by the Company to keep themselves informed of and observe such prohibitions**

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## IMPORTANT NOTICE

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and restrictions at their own expense and without liability to the Company, the Manager or any other person involved in the Rights cum Warrants Issue. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights cum Warrants Issue” on pages 35 to 37 of this Offer Information Statement for further information.

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**IMPORTANT NOTICE TO (A) SRS INVESTORS, (B) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT AND (C) CENTRAL PROVIDENT FUND INVESTMENT SCHEME (“CPFIS”) INVESTORS**

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SRS Investors, investors who have subscribed for or purchased Shares through a finance company and/or Depository Agent (as defined herein) and CPFIS Investors, can only accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants by instructing, as the case may be, (a) in the case of SRS Investors, the relevant SRS Approved Banks in which they hold their SRS accounts, (b) their respective finance companies and/or Depository Agents, and (c) in the case of CPFIS Investors, their respective CPF agent banks, to do so on their behalf.

**Any acceptance and/or application made directly by the above-mentioned investors through CDP, the Share Registrar or the Company, or by way of Electronic Applications, will be rejected. For the avoidance of doubt, CPF Funds may not be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.**

The above-mentioned Shareholders, where applicable, will receive notification letter(s) from their respective SRS Approved Banks, finance companies, Depository Agents and/or CPF agent banks and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective SRS Approved Banks, finance companies, Depository Agents and/or CPF agent banks. Such investors are advised to provide their respective SRS Approved Banks, finance companies, Depository Agents and/or CPF agent banks, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date.

**(A) SRS Investors**

SRS Investors must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their provisional allotments of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

Such investors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using SRS monies, must instruct the relevant SRS Approved Banks in which they hold their SRS accounts to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions in this Offer Information Statement. Such 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 SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf. **SRS monies may not, however, be used for the purchase of the provisional allotments of Rights Shares with Warrants directly from the market.**

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**IMPORTANT NOTICE TO (A) SRS INVESTORS, (B) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT AND (C) CENTRAL PROVIDENT FUND INVESTMENT SCHEME (“CPFIS”) INVESTORS**

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**(B) Holdings through Finance Company and/or Depository Agent**

Investors who hold Shares through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions of this Offer Information Statement.

**(C) Use of CPF Funds**

CPFIS Investors can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF investment accounts (“**CPF Investment Accounts**”) to pay for the acceptance of provisional allotments of Rights Shares and (if applicable) application for excess Rights Shares with Warrants. Such CPFIS Investors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using their CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions of this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Investors could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants on their behalf. **CPF Funds cannot, however, be used for the purchase of provisional allotments of Rights Shares with Warrants directly from the market.**

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## CORPORATE INFORMATION

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**Board of Directors** : Mr. Ow Chin Seng  
Mr. Ow Eei Meng, Benjamin  
Mr. Ng Kim Keang  
Mr. Lim Geok Peng  
Ms. Tan Poh Hong

**Company Secretary** : Ms Siau Kuei Lian

**Registered Office** : 52 Tuas Avenue 9  
Singapore 639193

**Share Registrar** : RHT Corporate Advisory Pte. Ltd.  
9 Raffles Place #29-01  
Republic Plaza Tower 1  
Singapore 048619

With effect from 16 September 2019, the office has been relocated to:  
30 Cecil Street  
#19-08 Prudential Tower  
Singapore 049712

**Sponsor** : Hong Leong Finance Limited  
16 Raffles Quay  
#01-05  
Singapore 048581

**Legal Adviser to the Rights cum Warrants Issue** : TSMP Law Corporation  
6 Battery Road, Level 41  
Singapore 049909

**Receiving Banker** : United Overseas Bank Limited  
80 Raffles Place  
UOB Plaza 1  
Singapore 048624

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## DEFINITIONS

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For the purposes of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

- “ARE”** : Application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants to be issued to Entitled Shareholders in respect of their provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue
- “ARS”** : Application and acceptance form for Rights Shares with Warrants to be issued to purchasers of the provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue traded on Catalist through the book-entry (scripless) settlement system
- “associate”** : (a) In relation to any director, chief executive officer, Substantial Shareholder or controlling shareholder (being an individual) means:–
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) in relation to a Substantial Shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “associated company”** : in relation to an entity, means –
- (a) any corporation, other than a subsidiary of the entity, in which –
  - (i) the entity or one or more of its subsidiaries or subsidiary entities has;
  - (ii) the entity, one or more of its subsidiaries and one or more of its subsidiary entities together have;
  - (iii) the entity and one or more of its subsidiaries together have;

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## DEFINITIONS

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(iv) the entity and one or more of its subsidiary entities together have; or

(v) one or more of the subsidiaries of the entity and one or more of the subsidiary entities of the entity together have,

a direct interest in voting shares of not less than 20% but not more than 50% of the total votes attached to all voting shares in the corporation; or

(b) any corporation, other than a subsidiary of the entity or a corporation which is an associated company of the entity by virtue of paragraph (a), the policies of which –

(i) the entity or one or more of its subsidiaries or subsidiary entities;

(ii) the entity together with one or more of its subsidiaries and one or more of its subsidiary entities;

(iii) the entity together with one or more of its subsidiaries;

(iv) the entity together with one or more of its subsidiary entities; or

(v) one or more of the subsidiaries of the entity together with one or more of the subsidiary entities of the entity,

is or are able to control or influence significantly

<b>“ATM”</b>	:	Automated teller machine of the Participating Bank
<b>“Board of Directors” or “Board”</b>	:	The board of Directors of the Company as at the date of this Offer Information Statement
<b>“Books Closure Date”</b>	:	5.00 p.m. on 17 September 2019 (or such other time and date as the Directors may determine), being the time and date at and on which the Register of Members and the share transfer books of the Company will be closed to determine the provisional allotments of Entitled Shareholders under the Rights cum Warrants Issue

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## DEFINITIONS

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<b>“Broker-linked Balance”</b>	:	means a sub-balance in a Securities Account that is linked to a Member Company such that the Member Company has control and rights over the securities contained in such sub-balance
<b>“Catalist”</b>	:	The Catalist of the SGX-ST
<b>“Catalist Rules”</b>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, supplemented or revised from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	The circular to Shareholders dated 11 July 2019 in relation to the Rights cum Warrants Issue and the Whitewash Resolution
<b>“Closing Date”</b>	:	5.00 p.m. on 4 October 2019 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 for the Rights Shares with Warrants under the Rights cum Warrants Issue through CDP; or 9.30 p.m. on 4 October 2019, 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 with Warrants under the Rights cum Warrants Issue through an ATM of the Participating Bank
<b>“Code”</b>	:	The Singapore Code on Take-Overs and Mergers, as amended, supplemented or revised from time to time
<b>“Companies Act” or “Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as amended or modified or supplemented from time to time
<b>“Company”</b>	:	AnnAik Limited
<b>“Concert Party Group”</b>	:	The Undertaking Shareholders and the parties acting in concert with them, including:–  <ol style="list-style-type: none"><li>1. Koh Beng Leong</li><li>2. Ow Eei Meng, Benjamin</li><li>3. Elsie Low Kheng Thor</li><li>4. Low Chuan Seng</li></ol>

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## DEFINITIONS

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5. Kwek Geok Yong
6. Low Kim Chuan
7. Peh Choon Chieh
8. Lee Ah Ho
9. Lau Siew Kwan
10. Low Kheng Huay Joanna
11. Low Bee Eng
12. Phua Sin Yee
13. Heng Hui Lyn (Wang Hui Lin)
14. Koh Wee Leong, Vincent
15. Low Ann Kok
16. Koh Wee Beng
17. Lau Gee Hong<sup>1</sup>

<b>“controlling shareholder”</b>	:	a person who:–  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in a company; or  (b) in fact exercises control over a company
<b>“CPF”</b>	:	The Central Provident Fund
<b>“CPF Funds”</b>	:	CPF Investible Savings
<b>“CPF Investment Account”</b>	:	The investment account maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS-Ordinary Account

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<sup>1</sup> The SIC provided their ruling on 4 June 2019 (as amended and supplemented by their email dated 18 June 2019) that any acquisition of shares or instruments convertible into and options in respect of shares of the Company by Mr Lau Gee Hong in the following periods, will not invalidate the Whitewash Waiver:–

- (i) during the period between the first announcement of the proposed Rights cum Warrants Issue and the date shareholders’ approval is obtained for the Whitewash Resolution; and
- (ii) in the six (6) months prior to the first announcement of the proposed Rights cum Warrants Issue but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the proposed Rights cum Warrants Issue.

Please also refer to the section entitled **“Take-over Limits”** on page 44 of this Offer Information Statement for more information on SIC’s ruling in relation to Mr Lau Gee Hong.

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## DEFINITIONS

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<b>“CPFIS”</b>	:	CPF Investment Scheme
<b>“CPFIS Investors”</b>	:	Shareholders who have previously purchased Shares using their CPF Funds under the CPF Investment Account
<b>“Deed Poll”</b>	:	The deed poll dated 5 September 2019, executed by the Company constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrant Holders
<b>“Directors”</b>	:	The directors of the Company as at the date of this Offer Information Statement
<b>“EGM”</b>	:	The extraordinary general meeting of the Company held on 2 August 2019 to approve the Whitewash Resolution and the Rights cum Warrants Issue
<b>“Electronic Application”</b>	:	Acceptance of the Rights Shares with Warrants and (if applicable) application for the excess Rights Shares with Warrants through the ATM of the Participating Bank in accordance with the terms and conditions 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 of the Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service
<b>“Entitled Depositors”</b>	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Markets Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
<b>“Entitled Scripholders”</b>	:	Shareholders whose share certificates are not deposited with CDP or who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Markets Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
<b>“Entitled Shareholders”</b>	:	Entitled Depositors and Entitled Scripholders
<b>“ESOS 2013”</b>	:	The Company’s employee share option scheme 2013

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## DEFINITIONS

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<b>“Existing Share Capital”</b>	:	The issued and paid-up share capital of the Company, consisting 244,770,900 shares
<b>“Foreign Purchasers”</b>	:	Persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system and whose registered addresses with CDP are outside Singapore
<b>“Foreign Shareholders”</b>	:	Shareholders whose registered addresses are outside Singapore as at the Books Closure Date, and who have not, at least three (3) Market Dates prior to the Books Closure Date, provided to the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
<b>“FY”</b>	:	The financial year ended or ending 31 December, as the case may be
<b>“Group”</b>	:	The Company and its subsidiaries, collectively
<b>“HY”</b>	:	The six-month financial period ended 30 June
<b>“immediate family”</b>	:	in relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
<b>“Independent Shareholders”</b>	:	The Shareholders, who are independent of the Concert Party Group and who are independent for the purposes of the Whitewash Resolution
<b>“Irrevocable Undertaking”</b>	:	The irrevocable undertakings given by the Undertaking Shareholders to the Company dated 28 December 2018 to, <i>inter alia</i> , subscribe and pay for the OCS Rights Shares under the Rights cum Warrants Issue
<b>“Latest Practicable Date”</b> or <b>“LPD”</b>	:	10 September 2019, being the latest practicable date prior to the printing of this Offer Information Statement
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
<b>“MAS”</b> or <b>“Authority”</b>	:	The Monetary Authority of Singapore
<b>“Manager”</b> or <b>“HLF”</b>	:	Hong Leong Finance Limited
<b>“Market Day”</b>	:	A day on which SGX-ST is open for securities trading



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## DEFINITIONS

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<b>“Maximum Subscription”</b>	:	The scenario where it is assumed that the Rights cum Warrants issue is fully subscribed and all outstanding and unexercised Share options under the ESOS 2013 are exercised prior to the Books Closure Date, and an aggregate of 63,850,725 Rights Shares with 63,850,725 Warrants will be issued
<b>“Member Company”</b>	:	means a Trading Member of the SGX-ST
<b>“Minimum Subscription”</b>	:	The scenario where it is assumed that the Rights cum Warrants issue is completed with the subscription only by the Undertaking Shareholders pursuant to the Irrevocable Undertakings for 20,659,470 Rights Shares with 20,659,470 Warrants will be issued
<b>“OCS Rights Shares”</b>	:	The 20,659,470 Rights Shares with 20,659,470 Warrants that the Undertaking Shareholders are entitled to subscribe for (being the total of Mr Ow Chin Seng and Mdm Low Kheng’s entitlement of Rights Shares with Warrants) pursuant to the terms and conditions of the Rights cum Warrants Issue (assuming the Undertaking Shareholders do not exercise any of their exercisable Share options under the ESOS 2013 before the Books Closure Date)
<b>“Offer Information Statement” or “OIS”</b>	:	This document including (where the context requires) the PAL, the ARE, the ARS, any other accompanying documents, and any supplementary or replacement document which may be issued by the Company in connection with the Rights cum Warrants Issue
<b>“PAL”</b>	:	The provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares with Warrants of such Entitled Scripholders under the Rights cum Warrants Issue
<b>“Participating Bank”</b>	:	DBS Bank Ltd. (including POSB)
<b>“PRC”</b>	:	People’s Republic of China
<b>“Purchaser”</b>	:	A person who purchases the provisional allotments of Rights Shares with Warrants through the book-entry (scripless) settlement system
<b>“Record Date”</b>	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered or the Securities Accounts of Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions

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## DEFINITIONS

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<b>“Register of Members”</b>	:	The register of members of the Company
<b>“Renouncee”</b>	:	Person to whom an Entitled Shareholder renounces his provisional allotment of Rights Shares with Warrants under the Rights cum Warrants Issue
<b>“Rights”</b>	:	Provisional allotments of Rights Shares, being Rights to subscribe for one (1) Rights Share and one (1) Warrant for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
<b>“Rights cum Warrants Issue”</b>	:	The proposed renounceable and non-underwritten rights issue of up to 63,850,725 Rights Shares (assuming all 10,632,000 outstanding and unexercised Share options under the ESOS 2013 and exercisable prior to the Books Closure Date are exercised before the Books Closure Date) at the Rights Issue Price for each Rights Share and up to 63,850,725 Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price, on the basis of one (1) Rights Share and one (1) Warrant for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
<b>“Rights Issue Price”</b>	:	The sum payable in respect of each Rights Share being S\$0.065
<b>“Rights Shares”</b>	:	Up to 63,850,725 new Shares to be allotted and issued by the Company pursuant to the Rights cum Warrants Issue (based on the issued share capital of the Company as at the Books Closure Date of 244,770,900 Shares and also 10,632,000 outstanding and unexercised Share options under the ESOS 2013 prior to the Books Closure Date on the assumption that all such Share options will be exercised by the Books Closure Date)
<b>“Securities Account”</b>	:	The securities account maintained by a Depositor with the CDP but does not include a securities sub-account maintained with a Depository Agent
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“Securities and Futures Act” or “SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time

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## DEFINITIONS

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<b>“SGXNET”</b>	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Registrar”</b>	:	RHT Corporate Advisory Pte. Ltd.
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members of the Company except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares, and where the context so admits, mean the persons to whose Securities Accounts maintained with CDP are credited with the Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
<b>“Shares”</b>	:	Ordinary shares in the share capital of the Company and <b>“Share”</b> shall be construed accordingly
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Approved Banks”</b>	:	Approved banks in which SRS Investors hold their accounts under the SRS
<b>“SRS Investors”</b>	:	Investors who have previously purchased Shares under the SRS
<b>“subsidiary”</b>	:	Has the meaning ascribed to it in Section 5 of the Companies Act
<b>“Substantial Shareholder”</b>	:	A person who has an interest of 5.0% or more of the aggregate of the nominal amount of all the Shares of the Company
<b>“Undertaking Shareholders”</b>	:	Mr Ow Chin Seng, a controlling Shareholder of the Company, and Mdm Low Kheng, spouse of Mr Ow Chin Seng, who collectively hold 82,637,882 Shares, representing approximately 33.76% of the issued share capital of the Company as at the Latest Practicable Date, and who have provided the Irrevocable Undertakings

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## DEFINITIONS

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- “Warrants”** : Up to 63,850,725 free detachable and transferable warrants in registered form to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights cum Warrants Issue and (where the context so admits), such additional Warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the Warrants as set out in the Deed Poll (any such additional Warrants to rank *pari passu* with the Warrants to be issued together with the Rights Shares and for all purposes to form part of the same series of), subject to the terms and conditions to be set out in the Deed Poll, each Warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Warrant Exercise Price, subject to the terms and conditions as set out in the Deed Poll
- “Warrant Agent”** : RHT Corporate Advisory Pte. Ltd.
- “Warrant Exercise Period”** : The period during which the Warrants may be exercised commencing on and including the date of the issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the fifth (5th) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members and/or the Warrant Register is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members and/or the Warrant Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Members and/or the Warrant Register may be closed pursuant to the terms and conditions of the Warrants as set out in the Deed Poll
- “Warrant Exercise Price”** : The price payable for each Warrant Share upon the exercise of a Warrant which shall be S\$0.200, subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
- “Warrant Holders”** : Registered holders of Warrants, except that where the registered holder is CDP, the term **“Warrant Holders”** shall, in relation to such Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such Warrants
- “Warrant Register”** : The register of Warrant Holders to be maintained, subject to the terms and conditions as set out in the Deed Poll

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## DEFINITIONS

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- “Warrant Shares”** : The new Shares to be issued by the Company, credited as fully paid, upon the exercise of the Warrants, including, where the context admits, such new Shares arising from the exercise of any additional Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
- “Whitewash Resolution”** : The ordinary resolution approved by a majority of the Independent Shareholders present and voting at the ‘EGM held on 2 August 2019, to waive their rights to receive a mandatory general offer from the Concert Party Group pursuant to Rule 14 of the Code arising from the Rights cum Warrants Issue and the Undertaking Shareholders’ obligations under the Irrevocable Undertakings
- “Whitewash Waiver”** : The waiver granted by the SIC on 4 June 2019 (as amended and supplemented by their email dated 18 June 2019) of the obligations of the Concert Party Group to make a mandatory general offer for the Shares not already owned or controlled by them under Rule 14 of the Code arising from the Rights cum Warrants Issue pursuant to the Irrevocable Undertakings. This waiver is subject to the satisfaction of the conditions set out in the section entitled **“Take-Over Limits”** on pages 42 and 43 of this Offer Information Statement
- “1Q”** : The 1st quarter of each calendar year
- Currencies, Units and Others**
- “S\$” or “cents”** : Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
- “RMB”** : Renminbi
- “USD”** : United States Dollars
- “%” or “per cent”** : Per centum or percentage

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

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

Any reference to a time of day in this Offer Information Statement, the ARE, the ARS and the PAL shall be a reference to Singapore time and date unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the ARE, the ARS and the PAL in relation to the Rights cum Warrants Issue (including but not limited to the Closing Date, and the last dates and

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## DEFINITIONS

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times for splitting, 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.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act or the Catalist Rules or any statutory or regulatory modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act or the Catalist Rules or any statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

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

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

Any reference to “we”, “us” and “our” in this Offer Information Statement is a reference to the Group or any member of the Group as the context requires.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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The following is a summary of the principal terms and conditions of the Rights cum Warrants Issue and is derived from and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

### Principal Terms of the Rights Shares

**Number of Rights Shares to be issued** : Based on the issued share capital of the Company as at the Books Closure Date of 244,770,900 Shares and also 10,632,000 outstanding and unexercised Share options under the ESOS 2013 and exercisable prior to the Books Closure Date, on the assumption that all such Share options will be exercised by the Books Closure Date, the Company will issue up to 63,850,725 Rights Shares with up to 63,850,725 Warrants.

**Basis of Provisional Allotment** : The Rights cum Warrants Issue will be made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share and one (1) Warrant for every four (4) Shares standing to the credit of the Securities Account of the Entitled Depositor or held by the Entitled Scripholder, as the case may be, as at the Book Closure Date, fractional entitlements to be disregarded.

**Rights Issue Price** : S\$0.065 for each Rights Share, payable in full upon acceptance and/or application.

The Rights Issue Price represents:–

- (a) a discount of approximately 35.0% to the closing price of S\$0.100 per Share on the SGX-ST on 26 December 2018, being the last trading day prior to the date of announcement of the Rights cum Warrants Issue;
- (b) a discount of approximately 30.11% to the theoretical ex-rights price of S\$0.093 (being the theoretical market price of each Share assuming the completion of the Rights cum Warrants Issue based on the Maximum Subscription scenario, and which is calculated based on the closing price of S\$0.100 per Share on the SGX-ST on 26 December 2018, being the last trading day prior to the date of announcement of the Rights cum Warrants Issue, and the total number of Shares following the completion of the Rights cum Warrants Issue); and
- (c) a discount of approximately 35.0% to the one-day volume weighted average price of S\$0.100 per Share on the SGX-ST on 26 December 2018, being the last trading day prior to the date of announcement of the Rights cum Warrants Issue.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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- Status of the Rights Shares** : The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of allotment and issue of the Rights Shares.
- Estimated Proceeds** : Please see Paragraph 2 of Part IV of the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 “**Additional Information Required for Offer of Securities by Way of Rights Issue**” on pages 55 and 56 of this Offer Information Statement for details on the estimated proceeds.
- Eligibility to participate in the Rights cum Warrants Issue** : As there may be prohibitions or restrictions against the offering of Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the section entitled “**Eligibility of Shareholders to Participate in the Rights cum Warrants Issue**” on pages 35 to 37 of this Offer Information Statement.
- Listing of the Rights Shares** : The Company has on 26 July 2019 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist, subject to certain conditions. The listing and quotation notice granted by the SGX-ST is not an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its subsidiaries and their securities.
- Trading of the Rights Shares** : Upon the listing of and quotation for the Rights Shares on the Catalist, the Rights Shares will be traded on the Catalist under the book-entry (scripless) settlement system. For the purposes of trading on the Catalist, each board lot of Rights Shares will comprise 100 Shares or any other board lot size which the SGX-ST may require.
- 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.



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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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**Trading of the “nil-paid” Rights** : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST can do so during the trading period for the “nil-paid” Rights.

A trading period for the “nil-paid” Rights has been set from 20 September 2019 at 9.00 a.m. to 4 October 2019 at 5 p.m. for CDP and 9.30 p.m. for electronic applications via ATMs of the Participating Bank. During the provisional allotments trading period, for the purposes of trading on the Catalist of the SGX-ST, each board lot of Rights will comprise 100 Rights. Entitled Depositors who wish to trade in lot sizes other than the board lot sizes, can do so on the SGX-ST’s unit share market.

All dealings in, and transactions (including transfers) of the Rights 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.

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

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

In the allotment of any excess Rights Shares with Warrants, preference will be given to Shareholders for 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 cum Warrants Issue, or have representation (direct or through a nominee) on the Board of the Company, including the Undertaking Shareholders, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares with Warrants.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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The Company will also not make any allotment and issuance of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The Rights Shares are payable in full upon acceptance of the provisional allotments of the Rights Shares with Warrants and/or application for the Excess Rights Shares with Warrants.

The procedures for, and the terms and conditions applicable to, acceptances, renunciations and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment are contained in Appendices A, B and C to this Offer Information Statement and in the PAL, the ARE and the ARS.

### **Scaling Down**

: Depending on the level of subscription for the Rights Shares, the Company will, if necessary and upon approval of the Manager and/or the SGX-ST, scale down a Shareholder's application to subscribe for the Rights Shares with Warrants to:–

- (i) ensure that the Entitled Shareholder does not hold a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting; or
- (ii) avoid placing the Entitled Shareholder and parties acting in concert with it (as defined in the Code) in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlements fully.

For the avoidance of doubt, the option to scale down referred to in this Section shall not apply to the Undertaking Shareholders applications to subscribe for the OCS Rights Shares under the Rights cum Warrants Issue.

### **Use of CPF Funds**

: CPFIS Investors can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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Such CPFIS Investors who wish to accept the provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for the excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions of the Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Investors could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares with Warrants on their behalf.

**CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.**

**Any acceptance and/or application made by the CPFIS Investors directly to CDP, the Share Registrar or the Company, or through the automated teller machines of the participating bank to the Rights cum Warrants Issue will be rejected.**

**Use of SRS Funds** : SRS Investors must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their provisional allotments of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

Such investors who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using SRS monies, must instruct the relevant SRS Approved Banks in which they hold their SRS accounts to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions in this Offer Information Statement. Such 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 SRS Approved Banks before instructing their respective SRS Approved Banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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SRS monies may not, however, be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

Any acceptance and/or application made by the SRS Investors directly to CDP, the Share Registrar or the Company, or through the automated teller machines of the participating bank to the Rights cum Warrants Issue will be rejected.

**Irrevocable Undertakings** : The Undertaking Shareholders had on 28 December 2018 irrevocably undertaken, *inter alia*, to subscribe and pay in full for their full entitlement of Rights Shares with Warrants representing an aggregate of 20,659,470 Rights Shares with 20,659,470 Warrants (assuming that they do not exercise any of the exercisable Share options under the ESOS 2013 before the Books Closure Date), pursuant to the Rights cum Warrants Issue in accordance with the terms and conditions of the Rights cum Warrants Issue, on or before the Closing Date.

Please see Paragraph 1(f) of Part X of the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 “**Additional Information Required for Offer of Securities by Way of Rights Issue**” on pages 96 and 97 of this Offer Information Statement for more details.

**Non-Underwritten basis** : The Rights cum Warrants Issue is not underwritten in view of the Irrevocable Undertaking by the Undertaking Shareholder.

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

### Principal Terms of the Warrants

**Number of Warrants** : Up to 63,850,725 (convertible into 63,850,725 Warrant Shares) to be issued free together with the Rights Shares subscribed

**Basis of Allotment** : One (1) Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded

**Estimated Proceeds** : Please see Paragraph 2 of Part IV of the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 “**Additional Information Required for Offer of Securities by Way of Rights Issue**” on pages 55 and 56 of this Offer Information Statement for details on the estimated proceeds.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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**Detachability and Trading** : The Warrants will be detached from the Rights Shares on issue and will be listed and traded separately on Catalist under the book-entry (scripless) settlement system upon the listing and quotation of the Warrants on Catalist, subject to, *inter alia*, an adequate spread of holdings of the Warrants to provide for an orderly market trading of the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.

**Listing of the Warrants and the Warrant Shares** : The Company has on 26 July 2019 obtained a listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist, subject to certain conditions.

**Shareholders should note that the Warrants may not be listed and quoted on the Catalist in the event that there is an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants.**

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

**Form and subscription rights** : The Warrants will be issued in registered form and will be constituted by a Deed Poll. Subject to the conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warrant Holder at any time during the Warrant Exercise Period to subscribe for one (1) Warrant Share at the Warrant Exercise Price in force on the relevant date of exercise of the Warrants.

**Warrants Exercise Price** : Exercise price of S\$0.200 per Warrant Share, which price will be subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants as set out in a Deed Poll.

The exercise price of S\$0.200 per Warrant Share was determined by the Company after taking into consideration the net tangible assets of the Company, and the length of the Warrant Exercise Period.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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- Warrant Exercise Period** : The Warrants may be exercised at any time during the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the fifth (5th) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members and/or the Warrant Register is closed or is not a Market Day, in which event the exercise period shall end on the date prior to the closure of the Register of Members and/or the Warrant Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Members and/or the Warrant Register may be closed pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.
- Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.
- Notice of Expiry** : Notice of expiry of the Warrants shall be given to all Warrant Holders of the Company at least one (1) month before the expiry of the Warrant Exercise Period.
- In addition, the Company shall not later than one (1) month before the expiry date, take reasonable steps to notify the Warrant Holders in writing of the expiry date, and such notice shall be delivered by post to the registered address of the Warrant Holder. The appropriate announcement of the Expiry Date shall also be made on the SGXNET.
- Mode of payment for exercise of Warrants** : Warrant Holders who exercise their Warrants must pay the Warrant Exercise Price by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the Warrant Exercise Price payable in respect of the Warrants exercised.
- Adjustment** : The Warrant Exercise Price and/or the number of Warrants to be held by each Warrant Holder will be subject to adjustments under certain circumstances provided in the terms and conditions of the Warrants as set out in the Deed Poll. Such circumstances include, without limitation, consolidation, subdivision or reclassification of the Shares, capitalisation issues, rights issues and certain capital distributions.

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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

**Status of Warrant Shares** : The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save for any dividends, rights, allotments or other distributions, that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.

**Modifications of rights of Warrant Holders** : The Company may, without the consent of the Warrant Holders but in accordance with the terms and conditions of the Deed Poll, effect modifications to the terms and conditions of the Deed Poll including, without limitation, the terms and conditions of the Warrants, which, in the opinion of the Company:–

- (a) is not materially prejudicial to the interests of the Warrant Holders;
- (b) is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of the SGX-ST; or
- (c) is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Warrant Shares arising from the exercise thereof or meetings of Warrant Holders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Catalist.

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

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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

For the avoidance of doubt, the Company may not conduct the following:–

- (a) extend the Exercise Period of an existing Warrant;
- (b) issue a new Warrant to replace an existing Warrant;
- (c) change the exercise price of an existing Warrant except where alterations are made pursuant to the terms and conditions of the Warrants set out in the Deed Poll; or
- (d) change the exercise ratio of the existing Warrant.

### **Transfer and Transmission**

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

- (a) Warrants not registered in the name of CDP – a Warrant Holder whose Warrants are registered in the name of a person other than CDP (the “**Transferor**”) shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor’s Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll provided that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to it;



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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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

### **Winding-up**

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

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## SUMMARY OF THE RIGHTS CUM WARRANTS ISSUE

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

- Further Issues** : Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights, upon such terms and conditions as the Company sees fit but the Warrant Holders shall not have any participating rights in such further issue unless otherwise resolved by the Company in general meeting.
- Warrant Agent** : RHT Corporate Advisory Pte. Ltd.
- Governing Law** : Laws of the Republic of Singapore.

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## INDICATIVE TIMETABLE OF KEY EVENTS

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The important dates and times for the Rights cum Warrants Issue are as follows (all dates and times referred to below are Singapore dates and times):

Shares traded ex-rights	:	16 September 2019 at 9.00 a.m.
Lodgment of this Offer Information Statement	:	17 September 2019
Books Closure Date	:	17 September 2019 at 5.00 p.m.
Despatch of the Offer Information Statement (together with the ARE or PAL (as the case may be)) to the Entitled Shareholders	:	20 September 2019
Commencement of trading of “nil-paid” rights	:	20 September 2019 from 9.00 a.m.
Last date and time for splitting of Rights	:	30 September 2019 at 5.00 p.m.
Last date and time for trading of “nil-paid” rights	:	30 September 2019 at 5.00 p.m.
Last date and time for acceptance and payment for Rights Shares with Warrants <sup>(1)</sup>	:	4 October 2019 at 5.00 p.m. for acceptance and payment through CDP or the Share Registrar (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank) <sup>(2)</sup>
Last date and time for renunciation and payment for Rights Shares with Warrants <sup>(1)</sup>	:	4 October 2019 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares with Warrants <sup>(1)</sup>	:	4 October 2019 at 5.00 p.m. for acceptance and payment through CDP or the Share Registrar (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank) <sup>(2)</sup>
Expected date for issuance of Rights Shares with Warrants	:	10 October 2019
Expected date for commencement of trading of Rights Shares on the SGX-ST	:	14 October 2019
Expected date for commencement of trading of Warrants (subject to there being an adequate spread of holdings in the Warrants to provide for an orderly market in the trading of the Warrants) on the SGX-ST	:	15 October 2019

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## INDICATIVE TIMETABLE OF KEY EVENTS

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**Notes:**

- (1) SRS Investors, CPFIS Investors and investors who hold Shares through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) SRS Investors, (B) Investors who hold Shares through a finance company and/or Depository Agent and (C) CPF Investment Scheme investors” on pages 4 and 5 of this Offer Information Statement. Any application made by these investors directly through CDP or through ATMs will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.
- (2) Electronic Applications through ATMs may only be made through ATMs of the Participating Bank. Electronic Applications through ATMs of banks other than the Participating Bank will not be accepted.

Pursuant to Rule 820(1) of the Catalist Rules, the Rights cum Warrants Issue will not be withdrawn after the Shares have commenced ex-rights trading.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the timetable to be modified. However, the Company, may upon consultation with the Manager and the approval of the SGX-ST, modify the above timetable subject to any limitations under any applicable laws. In that event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST's website at <http://www.sgx.com>.

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## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

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### 1. Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights cum Warrants Issue and to receive this Offer Information Statement together with the AREs or the PALs, as the case may be, at their respective Singapore addresses, as maintained in the records of CDP or the Company, as the case may be. Entitled Depositors who do not receive this Offer Information Statement and the AREs may obtain them from CDP for the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PALs may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Shareholders have been provisionally allotted the Rights Shares with Warrants on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST their provisional allotments of the Rights Shares with Warrants and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

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

The procedures for, and the terms and conditions applicable to, acceptance and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices A, B and C to this Offer Information Statement and in the PAL, the ARE and the ARS.

### 2. Foreign Shareholders and Purchasers

This Offer Information Statement and its accompanying documents have not been and will not be registered or lodged in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislations applicable in countries, other than in Singapore where Shareholders may have their registered addresses, the Rights cum Warrants Issue is only made in Singapore and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdiction outside of Singapore.

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

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of the Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

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## **ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE**

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The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or any applications for excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptances or applications may violate the applicable legislation of any jurisdiction. The Company reserves the right to treat as invalid any ARE or ARS which (a) appears to the Company or its agent to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the physical share certificate(s) and warrant certificate(s) for the Rights Shares with Warrants or which requires the Company to despatch the physical share certificate(s) and warrant certificate(s) for the Rights Shares with Warrants to an address in any jurisdiction outside Singapore or (c) purports to exclude any deemed representation or warranty.

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

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk or in such other manner as the Foreign Shareholders 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 or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, CDP, the CPF Board or the Share Registrar in connection therewith.

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

If such provisional allotments of Rights Shares with Warrants 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 with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be issued to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, CDP, the CPF Board or the Share Registrar in connection therewith.

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

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## **ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE**

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**Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirements in those territories.**

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

Entitled Shareholders should note that all correspondence and notices will be sent to their last registered addresses with CDP. Shareholders are reminded that any request to CDP to update its records or to effect any change in address should have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date. Shareholders whose Shares are registered in their own names who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights cum Warrants Issue should have provided such an address in Singapore by notifying the Share Registrar, RHT Corporate Advisory Pte. Ltd. at 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619 at least three (3) Market Days before the Books Closure Date. Please note that with effect from 16 September 2019, the Share Registrar's office has been relocated to 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712. In this regard, with effect from 16 September 2019, all relevant correspondence and notices to the Share Registrar should be addressed to the new address accordingly.

Foreign Shareholders who wish to be eligible to participate in the Rights cum Warrants Issue should have provided 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 Share Registrar, RHT Corporate Advisory Pte. Ltd. at 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619 at least three (3) Market Days before the Books Closure Date. Please note that with effect from 16 September 2019, the Share Registrar's office has been relocated to 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712. In this regard, with effect from 16 September 2019, all relevant correspondence and notices to the Share Registrar should be addressed to the new address accordingly.

The Rights Shares with Warrants which are not otherwise taken up or allotted for any reason shall be used to satisfy excess Rights Shares with Warrants applications or as the Directors may, in their absolute discretion, deem fit. Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at Shareholders' allotment and will together with provisional allotments which are not taken up or allotted for any reason be aggregated and issued to satisfy excess Rights Shares with Warrants applications as the Directors may, in their absolute discretion, deem fit.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares with Warrants and for the application for excess Rights Shares with Warrants, including the different modes of acceptances or application and payment are contained in Appendices A, B and C to this Offer Information Statement and in the PAL, the ARE and the ARS.



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## TRADING

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### 1. Listing of and Quotation for Rights Shares with Warrants

Approval in-principle has been obtained from the SGX-ST for the dealing in, listing of and quotation of up to 63,850,725 Rights Shares, 63,850,725 Warrants and 63,850,725 Warrant Shares on the Catalist on 26 July 2019. The approval in-principle granted by the SGX-ST is not an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its subsidiaries and their securities.

Upon listing and quotation on the Catalist, the Rights Shares, the Warrants and the Warrant 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 the “Terms and Conditions for Operation of Securities Accounts with CDP” and the “Terms and Conditions for CDP 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.

In the event that permission is not granted by the SGX-ST for the listing and quotation of the Warrants on Catalist due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Rights cum Warrants Issue. Pursuant to the Catalist Rules, SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. In such event, Warrant Holders will not be able to trade their Warrants on the SGX-ST. However, if a Warrant Holder were to exercise his Warrants in accordance with the Deed Poll, the Warrant Shares arising therefrom will be listed and quoted on Catalist.

### 2. Arrangements for Scripless Trading

Entitled Scripholders and their Renounees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants, and who wish to trade the Rights Shares with Warrants 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 with Warrants and, if applicable, the excess Rights Shares with Warrants that may be allotted and issued to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their Renounees who wish to accept the Rights Shares with Warrants and/or apply for Scripholders and their Renounees who wish to accept the Rights Shares with Warrants and/or apply for the excess Rights Shares with Warrants and have their Rights Shares with Warrants 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 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 with Warrants allotted to them and if applicable, the excess Rights Shares with Warrants allotted to them. Such physical share certificates, if issued, will be forwarded to them by ordinary post at their own risk 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.



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## TRADING

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If an 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 allotment and other correspondence will be sent to his address last registered with CDP.

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

In the event that permission is not granted by the SGX-ST for the listing and quotation of the Warrants due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Rights cum Warrants Issue. Pursuant to the Catalist Rules, SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 Warrant Holders for a class of company warrants. Accordingly, holders of Warrants will not be able to trade their Warrants on the SGX-ST if there is an insufficient spread of holdings for the Warrants. However, if a holder of Warrants were to exercise his Warrants in accordance with the Deed Poll, the Warrant Shares arising therefrom will be listed and quoted on the Catalist.

### 3. Trading of Odd Lots

Entitled Depositors who wish to trade all or part of their "nil-paid" Rights Shares with Warrants on Catalist should note that the "nil-paid" Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares with Warrants, 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. Such Entitled Depositors may start trading in their "nil-paid" Rights Shares with Warrants as soon as dealing therein commences on Catalist.

Following the Rights cum Warrants Issue, Shareholders who hold odd lots of Shares and who wish to trade in odd lots on Catalist will be able to do so on the SGX-ST's unit share market. **The market for trading of 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 a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's unit share market.**

### 4. Trading of Shares of Companies listed on Catalist

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. Entitled Shareholders should be aware of the risks of subscribing for the Rights Shares with Warrants of such companies and should make the decision to subscribe for the Rights Shares with Warrants only after careful consideration and if appropriate, consultation with an independent financial adviser.

In the event that permission is not granted by the SGX-ST for the listing and quotation of the Warrants on Catalist due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Rights cum Warrants Issue. Pursuant to the Catalist Rules, SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. In such event, Warrant Holders will not be able to trade their Warrants on the SGX-ST. However, if a Warrant Holder were to exercise his Warrants in accordance with the Deed Poll, the Warrant Shares arising therefrom will be listed and quoted on Catalist.

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## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its officers, Directors or employees 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 “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, 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:–

- (a) revenue and profitability;
- (b) prospects;
- (c) future plans;
- (d) and other matters discussed in this Offer Information Statement 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.

Given the risks and uncertainties 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 Offer Information Statement, undue reliance must not be placed on these statements.

The Group’s actual results may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person (including the Manager) represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, the Company and its Directors, officers or employees acting on its behalf, and the Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those 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. However, the Company may make an announcement on SGXNET and, if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority, in the event, *inter alia*, it becomes aware of a new development, event or circumstance that has arisen since the lodgment of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, but before the Closing Date and that is materially adverse from the point of view of an investor or required to be disclosed pursuant to law and/or by the SGX-ST. The Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

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## TAKE-OVER LIMITS

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The Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company.

Pursuant to the Code, except with the consent of the SIC, where:–

- (i) 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 Company; or
- (ii) any person who, together with parties acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than one (1)% of the voting rights,

such person must extend a mandatory take-over offer immediately to the shareholders for the remaining shares in the Company in accordance with the provisions of the 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 an obligation to extend an 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 Code but the exercise of any conversion rights will be considered as an acquisition of voting rights for the purposes of the Code.

**Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Shares with Warrants pursuant to the Rights cum Warrants Issue should consult their professional advisers.**

Note 5 to Rule 14.1 of the Code provides, *inter alia*, that when a group of persons acting in concert holds over 50%, no obligation normally arises from acquisitions by any member of the group. However, subject to certain considerations, the SIC may regard as giving rise to an obligation to make an offer any acquisition by a single member or sub-group of the group of voting rights sufficient to increase his/its holding to 30% or more or, if he/it already holds between 30% to 50%, by more than one (1)% in any period of six (6) months.

As at the Latest Practicable Date, the Concert Party Group collectively holds 92,056,145 existing Shares, which is approximately 37.61% of the Existing Share Capital of the Company. The Rights Shares with Warrants and excess Rights Shares with Warrants (subject to availability) to be issued to the Undertaking Shareholders pursuant to the Irrevocable Undertakings may result in the Undertaking Shareholders acquiring more than one (1)% of the voting rights of the Company.

Assuming that the Undertaking Shareholders subscribe for their full entitlement of the Rights Shares with Warrants under the Rights cum Warrants Issue pursuant to the Irrevocable Undertakings (an aggregate of 20,659,470 Rights Shares with 20,659,470 Warrants), the Concert Party Group's shareholdings in the Company will increase from approximately 37.61% as at the Latest Practicable Date to approximately 42.47% immediately following the allotment and issue of such Rights Shares.

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## TAKE-OVER LIMITS

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In view of the above, an application was made by the Company to the SIC for a waiver of the 'Concert Party Group to make a mandatory general offer for all the Shares not owned or controlled by them as a result of the Rights cum Warrants Issue and the Undertaking Shareholders' obligations under the Irrevocable Undertakings.

The SIC granted the Whitewash Waiver subject to the satisfaction of certain conditions. The SIC has confirmed, that the Concert Party Group will not be required to make a mandatory general offer for the Company under Rule 14 of the Code in the event the Concert Party Group increase their voting rights in the Company by more than one (1)% in any period of six (6) months as a result of the Rights cum Warrants Issue and the Undertaking Shareholders' obligations under the Irrevocable Undertakings.

The SIC granted the Whitewash Waiver, waiving the obligation for the Concert Party Group to make a mandatory offer under Rule 14 of the Code for the Company in the event that they incur an obligation to do so as a result of them (i) subscribing for the Rights Shares with Warrants pursuant to the Irrevocable Undertakings; (ii) subscribing for 4,940,000 excess Rights Shares with Warrants; and (iii) exercising the Warrants in respect of the Rights Shares with Warrants acquired, subject to, *inter alia*, the following conditions:–

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the proposed Rights cum Warrants Issue, the Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Concert Party Group;
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) the Concert Party Group as well as parties not independent of them abstain from voting on the Whitewash Resolution;
- (d) the Concert Party Group did not acquire or are not to acquire any shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new shares which have been disclosed in the Circular):–
  - (i) during the period between the first announcement of the proposed Rights cum Warrants Issue and the date shareholders' approval is obtained for the Whitewash Resolution; and
  - (ii) in the six (6) months prior to the first announcement of the proposed Rights cum Warrants Issue, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the proposed Rights cum Warrants Issue;
- (e) the Company appoints an independent financial adviser to advise its independent shareholders on the Whitewash Resolution;
- (f) the Company sets out clearly in the Circular:–
  - (i) details of the proposed Rights cum Warrants Issue, including the Irrevocable Undertakings and the proposed subscription of excess Rights Shares with Warrants by the Concert Party Group;

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## TAKE-OVER LIMITS

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- (ii) the dilution effect to existing holders of voting rights upon the issue of the Rights Shares with Warrants and upon exercise of the Warrants;
- (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Concert Party Group as at the latest practicable date of the Circular;
- (iv) the number and percentage of voting rights to be acquired by the Concert Party Group upon the issue of the Rights Shares with Warrants and upon exercise of the Warrants as a result of the Irrevocable Undertakings and the proposed subscription of excess Rights Shares with Warrants;
- (v) specific and prominent reference to the fact that the issue of the Rights Shares with Warrants and the Warrant Shares upon exercise of the Warrants as a result of the Irrevocable Undertakings and the proposed subscription of excess Rights Shares with Warrants could result in the Concert Party Group carrying over 49.0% of the voting rights of the Company, and that the Concert Party Group will be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
- (vi) specific and prominent reference to the fact that the Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Concert Party Group at the highest price paid by any of them for Shares in the past six (6) months preceding the commencement of the offer; and
- (vii) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, could be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants;
- (g) the Circular states that the waiver granted by the SIC to the Concert Party Group from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated at paragraphs (a) to (f) above;
- (h) the Company obtains SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;
- (i) to rely on the Whitewash Resolution, approval of the Whitewash Resolution must be obtained within three (3) months of 4 June 2019, the acquisition of the Rights Shares with Warrants by the Undertaking Shareholders must be completed within three (3) months of the date of the approval of the Whitewash Resolution, and the acquisition of the Warrant Shares upon exercise of the Warrants must be completed within five (5) years of the date of issue of the Warrants; and
- (j) the Undertaking Shareholders complying or procuring the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code.

As at the Latest Practicable Date, save for condition (i), all the above conditions imposed by the SIC have been satisfied.

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## TAKE-OVER LIMITS

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Clarification with the SIC had been sought on 11 March 2019 in relation to, *inter alia*, whether Mr Lau Gee Hong would be presumed to be acting in concert with Mr Ow Chin Seng and Mdm Low Kheng, in relation to any acquisition of shares or instruments convertible into and options in respect of shares in the Company during (i) the period between the first announcement of the proposed Rights cum Warrants Issue and the date shareholders' approval is obtained for the Whitewash Resolution, and (ii) in the six (6) months prior to the first announcement of the proposed Rights cum Warrants Issue.

Mr Lau Gee Hong (i) has not kept in contact with Mr Ow Chin Seng and Mdm Low Kheng, and as such, Mr Ow Chin Seng and Mdm Low Kheng do not have any influence or control over Mr Lau Gee Hong, and (ii) has not purchased or acquired any Shares in the Company, and has not voted at any general meeting of the Company either in person or proxy. Accordingly, pursuant to the request for clarification, the SIC provided their ruling on 4 June 2019 (as amended and supplemented by their email dated 18 June 2019), that any acquisition of shares or instruments convertible into and options in respect of shares of the Company by Mr Lau Gee Hong in the following periods, will not invalidate the Whitewash Waiver:—

- (a) during the period between the first announcement of the proposed Rights cum Warrants Issue and the date shareholders' approval is obtained for the Whitewash Resolution; and
- (b) in the six (6) months prior to the first announcement of the proposed Rights cum Warrants Issue but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the proposed Rights cum Warrants Issue.

For the avoidance of doubt, the Concert Party Group, and parties not independent of them will abstain from voting on the Whitewash Resolution and shall not accept nomination as proxies or otherwise for voting on the Whitewash Resolution at the EGM.

On 2 August 2019, the Whitewash Resolution was approved by the Independent Shareholders, at the Company's EGM held on 2 August 2019, to waive their rights to receive a mandatory take-over offer for the Shares not already owned by them and the Concert Party Group pursuant to Rule 14 of the Code.



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## RISK FACTORS

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The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section entitled “**Cautionary Note on Forward-Looking Statements**” on page 40 of this Offer Information Statement for further details.

To the best of the Directors’ knowledge and belief as at the Latest Practicable Date, the risk factors that are material to Shareholders and prospective investors in making an informed judgment on the Rights cum Warrants Issue (save for those which have already been disclosed to the general public) are set out below.

**Prospective subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding to invest in the Rights Shares, the Warrants and/or the Warrant Shares. The Group could be affected by a number of risks that may relate to the industry 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. The risks described below are not intended to be exhaustive.**

**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 and financial condition of the Company and the Group could be materially and adversely affected. In that event, the trading price of the Rights Shares with Warrants could decline due to any of these considerations and uncertainties, and investors may lose all or part of their investment in the Rights Shares with Warrants.**

### **RISK FACTORS RELATING TO THE GROUP’S BUSINESS AND OPERATIONS**

**(a) The Group may be affected by changes in the social, political and economic situation in the countries where it has business operations**

The Group may be affected by changes in the social, political and economic situation in the countries where it has business operations and may also be affected by the global economic conditions. Such changes may materially and adversely affect the Group’s financial performance.

Fluctuations in fuel prices may result in increased business costs to the Company. In the event that the Company is unable to pass such increased costs to its customers, this may materially and adversely affect the Company’s financial performance. As the company distribution and manufacturing division are in the steel business and positively correlated to fuel prices. The sudden drop and suppressed fuel price may negatively impact the group’s customers who are in the oil and gas, petrochemical and marine and ship repair business.

**(b) The Group may be affected by changes in laws and regulations in the countries where it has business operations**

The Group’s operations are subject to the prevailing laws and regulations in the various jurisdictions where it has business operations. Accordingly, the Group’s operations may be affected by any changes in such laws and regulations and may incur higher costs of compliance for the Group. In addition, the Group may be subject to the imposition of fines and/or other penalties by the relevant authorities if it fails to comply with the applicable laws and regulations and this could also adversely impact the revenues and profitability of the Group’s operations or otherwise adversely affect its operations.

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## RISK FACTORS

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**(c) The Group is subject to foreign exchange control risks**

The Group has business operations both within Singapore and overseas. In line with the Group's intention to further expand its business overseas, the Group anticipates an increase in the Group's foreign currency transactions in the future.

To the extent that the Group's revenue and purchases are not sufficiently matched in the same currency and to the extent that there are timing differences between collection and payments, the Group will be exposed to any adverse fluctuations in the exchange rates between the various foreign currencies.

The Group is also exposed to foreign exchange risk arising from its net investments in foreign operations, including PRC, Korea, Cambodia and Malaysia.

**(d) The Group is exposed to the credit risks of its customers**

The Group's primary exposure to credit risk arises through its trade receivables. Credit risk is managed through the application of credit approvals, setting credit limits, and monitoring procedures. Although the Company regularly reviews its credit exposure to its customers, credit risk will nevertheless arise from events or circumstances that are difficult to anticipate or detect, or are beyond the control of the Group. Such events may arise due to risks including, but not limited to, political, social, legal, economic and foreign exchange risks and accordingly, this will have an adverse impact on the Group's financial performance, financial position and prospects. Such events may impact on our customers' ability to make timely payment and our enforcement for payments may not be effective.

**(e) The Group is subject to interest rate risks**

Interest rate risk is the risk that the fair value or future cash flow of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from amounts due to bankers. The Group has put in place a tracking system to closely monitor the movement of interest rates and to respond to changes on a timely basis. However, in the event that there is volatility in interest rates in the future, such changes in market interest rates may result in an increase in the Group's interest expense relative to its interest income, leading to a reduction in its net interest income, which may adversely affect the Group's results of operations and financial condition.

**(f) Maintain continuity of businesses through new and potential investments**

The Group will continue to work on expanding its existing businesses in the manufacturing, distribution, environmental and engineering sectors while continuing to explore possible new synergistic business ventures for the Group which can offer strategic growth potential.

The ability of the Group to improve its financial performance through such expansion and business ventures is dependent on various factors including the customers' needs, industry and regulatory requirements, the demand for the Group's products and services and sufficient financial resources.

In the event that such expansion (including any capital expenditures), investments and/or acquisitions are not commercially successful, the financial performance of the Group may be adversely affected.



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## RISK FACTORS

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**(g) The Group requires high working capital and financing**

A high working capital and good cash flow is crucial and necessary for the Group as it maintains some inventory in its manufacturing, distribution, environmental and engineering business and it also grants its customers certain credit for the payment of the products. In the event the Group is unable to secure bank borrowings or raise funds through capital injection, the financial results and operations of the Group may be adversely affected.

**(h) The Group faces the pressures of competition across all its businesses**

The Group believes that competition in the manufacturing, distribution, environmental and engineering sectors will remain intense. There can be no assurance that the level of competition will remain at current levels and any increase in competition may have a material adverse effect on the Group's results of operations or financial condition.

**(i) The Group faces competition from existing competitors in the industry and new entrants to the steel trading industry**

The Group operates in a competitive industry in which the barriers to entry are relatively low and it competes with domestic, regional and foreign steel traders. Some of these competitors have greater operational capacity, greater financial resources and more diverse businesses than the Group. Some of the Group's foreign competitors may be able to pursue business opportunities without being subject to the laws and regulations with which the Group must comply, such as environmental regulations. Some of these competitors may have lower cost structures, greater operational flexibility and the capacity to adopt more aggressive pricing strategies which enable them to offer better prices and more services than the Group. There is no assurance that the Group will be able to compete successfully with these companies. If the Group is unable to do so, its financial performance may be adversely affected.

**(j) The Group may be exposed to business risk overseas**

There are risks inherent in doing business overseas, which include unexpected changes in local laws and regulatory requirements, managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding liability and enforcement and controls on the repatriation of capital or profits. Any of these risks could materially affect the Group's offshore operations and consequently, its financial position and profit.

**(k) The Group is affected by fluctuations in steel prices and the supply of steel billets and products**

As a manufacturer of steel products (mainly steel flanges), steel billets are the Group's main raw material. Similarly, as a distributor of stainless steel products, the Group has to stock a wide range of stainless steel products to cater to the needs of the Group's customers.

Steel prices rise and fall depending on the demand and supply for steel, which, in turn, are affected by the global economy. Movement in steel prices can be volatile. Consequently, any increase in the price of steel will increase the Group's cost of purchase of steel billets as raw material for its manufacturing business, its carrying cost in stocking stainless steel products. If the Group is not able to pass on such increases in our cost to our customers, our profitability will be adversely affected.

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## RISK FACTORS

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Additionally, in the event that the Group's suppliers are unable to cater to its demand for steel billets and products, it may not be able to seek alternative sources of supply in a timely manner. An insufficient supply of steel billets and products will adversely affect its ability to meet the Group's customers' orders. Further, any delay or disruption in delivery schedules of steel billets and products can adversely affect the Group's operations, and hence its revenue and profits.

**(I) The Group's revenue in the environmental and engineering business is dependent on market growth**

The Group's environmental and engineering business is in the geographical markets of Singapore and the PRC. As a result, the operations, revenue, performance and future growth in this business depend, to a large extent, on the continued growth of the markets in Singapore and the PRC and for such growth to translate into demand for rural wastewater treatment products and services and the provision of consulting services in water resource management. There is no assurance that the Singapore and PRC markets will grow further or that such growth will translate into demand for the Group's services. Any slowing down of the markets or reduced demand for the Group's services may adversely affect the Group's financial performance.

### RISK FACTORS RELATING TO AN INVESTMENT IN THE RIGHTS CUM WARRANTS ISSUE

**(a) An active trading market in the Rights may not develop**

A trading period for the "nil-paid" rights has been set. Please refer to the section entitled "**Indicative Timetable of Key Events**" on page 33 of this Offer Information Statement for more details. An active trading market for the "nil-paid" rights may not develop on the SGX-ST during the "nil-paid" rights trading period. In addition, because the trading price of the "nil-paid" rights depends on the trading price of the Shares, the trading price of the "nil-paid" rights may be volatile and subject to the same risks as noted elsewhere in this Offer Information Statement.

**(b) Shareholders who do not or are not able to accept their provisional allotment of Rights Shares will experience a dilution in their ownership of the Company**

If Shareholders do not or are not able to accept their provisional allotment of Rights Shares, their proportionate shareholding in the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his "nil-paid" rights, or such "nil-paid" rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his shareholding in the Company as a result of the Rights cum Warrants Issue.

**(c) Investors may experience future dilution in the value of their Shares**

The Company may need to raise additional funds in the future to finance the expansion of the Group's operations and strengthen its capital base, repayment of borrowings and/or to finance future investments. If additional funds are raised through the issuance by the Company of new Shares other than on a pro rata basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

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## RISK FACTORS

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**(d) The Company's Share price may be volatile and fluctuate, which could result in substantial losses for investors subscribing for Shares and/or the Rights Shares**

The market price for the Shares on the SGX-ST (including the Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights cum Warrants Issue and/or be in response to various factors some of which are beyond the Group's control. Examples of such factors include but are not limited to: (i) variation in its operating results; (ii) changes in securities analysts' estimates of the Group's financial performance; (iii) fluctuations in stock market prices and volume; (iv) general changes in rules/regulations with regard to the industry that the Group operates in, including those that affect the demand for the Group's services; and (v) economic, stock and credit market conditions. Any of these events could result in a decline in the market price of the Shares (including the Rights and the Rights Shares) during and after the Rights cum Warrants Issue. The Group cannot assure investors that they will be able to sell the Rights Shares at a price equal to or greater than the Rights Issue Price. Accordingly, holders of the Shares who are existing Shareholders or have subscribed to the Rights Shares, whether existing Shareholders or not, may suffer a loss.

**(e) The Warrants may not be listed on the SGX-ST**

Pursuant to Rule 826 of the Listing Manual, a sufficient spread of holdings is required to provide for an orderly market in the securities. As a guide, SGX-ST expects at least 100 warrant holders for a class of company warrants. If the Warrants are not sufficiently subscribed, it may not meet the spread of holdings of at least 100 warrant holders. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing and quotation of the Warrants due to an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, holders of Warrants will not be able to trade their Warrants on the SGX-ST. The Company shall nevertheless proceed with and complete the Rights cum Warrants Issue in such an event.

**(f) An active trading market for the Warrants may not develop**

There is no assurance that there will be an active or liquid market for the Warrants because prior to this offering, there has been no public market for the Warrants. The Company is unable to predict the extent to which a trading market will develop, if at all, or how liquid that market may become. Further, the demand for the Warrants, its price fluctuations as well as trading volume may vary from that of the Shares.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)**

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**Directors**

1. Provide the names and addresses each of the directors or equivalent persons of the relevant entity.
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The names and addresses of the Directors or equivalent persons are as follows:

<b>Directors</b>	<b>Address</b>
Mr. Ow Chin Seng	6C Lorong Biawak, Singapore 358764
Mr. Ow Eei Meng, Benjamin	29A Gerald Drive, The Gardens at Gerald, Singapore 797682
Mr. Ng Kim Keang	461 River Valley Road #07-05 RV Residences, Singapore 248346
Mr. Lim Geok Peng	117 Jurong East Street 13 #18-143 Ivory Heights, Singapore 600117
Ms. Tan Poh Hong	15 Pang Seng Road, Sennett Estate, Singapore 348316

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**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 adviser for or in relation to the offer, if any.
- 

Issue Manager	:	Hong Leong Finance Limited 16 Raffles Quay #01-05 Singapore 048581
Underwriter	:	Not applicable as the Rights cum Warrants Issue is not underwritten.
Legal Adviser	:	TSMP Law Corporation 6 Battery Road #41-00 Singapore 049909

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**Registrars and Agents**

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

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Share Registrar	:	RHT Corporate Advisory Pte. Ltd. 9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619
		With effect from 16 September 2019, the office has been relocated to: 30 Cecil Street #19-08 Prudential Tower Singapore 049712
Transfer agents	:	Not Applicable
Warrant Agent	:	RHT Corporate Advisory Pte. Ltd. 9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619
		With effect from 16 September 2019, the office has been relocated to: 30 Cecil Street #19-08 Prudential Tower Singapore 049712
Receiving Bankers	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza 1 Singapore 048624

**PART III (OFFER STATISTICS AND TIMETABLE)**

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**Offer Statistics**

1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.
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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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<b>Method of offer</b>	:	Renounceable non-underwritten Rights cum Warrants Issue
<b>Basis of Allotment</b>	:	One (1) Rights Shares and one (1) free Warrant for every four (4) Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded
<b>Number of Rights Shares</b>	:	Up to 63,850,725 Rights Shares
<b>Number of Warrants</b>	:	Up to 63,850,725 Warrants

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**Method and Timetable**

2. Provide the information mentioned 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.
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Please refer to paragraphs 3 to 7 of this Part.

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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 lodgment of the offer information statement, 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 must be made public.
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Please refer to the Section entitled “**Indicative Timetable of Key Events**” on page 33 of this Offer Information Statement.

The procedures for, and the terms and conditions applicable to, acceptances and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance and/or application and payment, are set out in Appendices A, B and C to this Offer Information Statement and in the PAL, the ARE and the ARS.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “**Indicative Timetable of Key Events**” on page 33 of this Offer Information Statement to be modified. However, the timetable may be subject to such modifications as the Company may decide, in consultation with the Manager and with the approval of the SGX-ST, subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST’s website at <http://www.sgx.com>.

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- 4. State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**
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The Rights Shares with Warrants and excess Rights Shares with Warrants are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares with Warrants and/or excess Rights Shares with Warrants are contained in Appendices A, B and C to this Offer Information Statement and in the PAL, the ARE and the ARS (as the case may be).

Please refer to the section entitled “**Indicative Timetable of Key Events**” on page 33 of this Offer Information Statement for the last date and time for the acceptance and payment for the Rights Shares with Warrants and if applicable, applications and payment for the excess Rights Shares with Warrants.

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- 5. State, where applicable, the methods of and time limits for –**
- (a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
  - (b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.**
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The Rights Shares with Warrants will be provisionally allotted to the Entitled Shareholders on or around 19 September 2019 by crediting the provisional allotments into the Securities Accounts of the Entitled Depositors or through the despatch of the PALs to Entitled Scripholders.

In the case of Entitled Scripholders and their Renouncees with valid acceptances and successful applications of excess Rights Shares with Warrants and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificates representing such number of Rights Shares with Warrants will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Company within 10 Market Days after the Closing Date.

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In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their Renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances and/or successful applications of excess Rights Shares with Warrants and payments for the Rights Shares with Warrants and excess Rights Shares with Warrants (as the case may be) by the Closing Date, share certificate(s) and warrant certificate(s) representing such number of Rights Shares with Warrants will be sent to CDP within 10 Market Days after the Closing Date. CDP will then credit such number of Rights Shares with Warrants to their relevant Securities Accounts. Thereafter, CDP will send a notification letter to the relevant subscribers, at their own risk, stating the number of Rights Shares with Warrants that have been credited to their Securities Accounts.

Please refer to Appendices A, B and C to this Offer Information Statement 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 or securities-based derivatives contracts 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. No pre-emptive rights have been offered.

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

The Company will announce the results of the allotment of Rights Shares with Warrants as soon as it is practicable after the Closing Date through a SGXNET announcement to be posted on the internet at the SGX-ST website at <http://www.sgx.com>.

### **Manner of Refund**

When any acceptance for Rights Shares with Warrants and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date at their own risk by any one or a combination of the following:–

- (i) where the acceptance and/or application had been made through CDP, 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 as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions;



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- (ii) where the acceptance and/or application had been made through the Share Registrar, 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 as maintained with the Share Registrar; and/or
- (iii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the Participating Bank at their own risk, the receipt by such bank being a good discharge of the Company's and CDP's obligations.

Please refer to Appendices A, B and C to this Offer Information Statement, the PAL, the ARE and the ARS (as the case may be) for further details.

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### PART IV (KEY INFORMATION)

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#### 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 this Part.

#### 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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In the Maximum Subscription scenario, assuming that the Rights cum Warrants Issue is fully subscribed, and 63,850,725 Rights Shares with 63,850,725 Warrants are issued, the net proceeds of the Rights cum Warrants Issue, after deducting estimated expenses of approximately S\$165,000 is expected to be approximately S\$4.0 million;

In the Minimum Subscription scenario, assuming that:–

- (i) none of the Shareholders (other than the Undertaking Shareholders) subscribe and pay for their entitlements for the Rights Shares with Warrants under the Rights cum Warrants Issue;
- (ii) the full subscription of the OCS Rights Shares by the Undertaking Shareholders pursuant to the Irrevocable Undertakings; and
- (iii) none of the exercisable Share options under the ESOS 2013 are exercised before the Books Closure Date,

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and 20,659,470 Rights Shares with 20,659,470 Warrants are issued, the net proceeds of the Rights cum Warrants Issue, after deducting estimated expenses of approximately S\$165,000 is expected to be approximately S\$1.2 million.

For the avoidance of doubt, the figures presented above do not take into account any proceeds from the exercise of any Warrants.

Up to S\$12.8 million (based on 63,850,725 Warrants) and S\$4.1 million (based on 20,659,470 Warrants) may be raised from the exercise of all the Warrants under the Maximum Subscription Scenario and the Minimum Subscription Scenario respectively.

All net proceeds of the Rights cum Warrants Issue will go to the Company.

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- 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 or securities-based derivatives contracts.**
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The Company intends to utilise the Rights cum Warrants Issue proceeds for funding the growth and expansion of the Group through investments and improving the Group's general working capital position. Part of the proceeds of the Rights cum Warrants Issue will go towards strengthening the Group's financial position, thereby increasing the Group's ability to strategise, formulate and execute its business plans, granting the Group greater financial flexibility to meet future working capital needs and allowing the Group to expand the business, finance new business ventures through acquisitions, strategic investments and working capital, and/or such other purposes as the Directors may deem fit.

The Company intends to use the net proceeds in the Minimum Subscription and the Maximum Subscription scenarios (the "**Rights cum Warrants Issue Proceeds**") as follows:–

<b>Intended Use of Proceeds</b>	<b>Net Proceeds from Maximum Subscription scenario (before exercise of the Warrants) Proceeds (\$ million)</b>	<b>Net Proceeds from Minimum Subscription scenario (before exercise of the Warrants) Proceeds (\$ million)</b>
Undertake potential investment in distribution and environmental business	2.4	0.8
Working capital requirement	0.8	0.4
Repayment of bank borrowings	0.8	–
<b>Total</b>	<b>4.0</b>	<b>1.2</b>

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As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions, strategic investments and working capital, and/or such other purposes as the Directors may deem fit.

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

The foregoing represents the Company's best estimate of its allocation of the Rights cum Warrants Issue Proceeds based on current plans and estimates regarding the anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to re-allocate the Rights cum Warrants Issue Proceeds within the categories described above or use portions of the Rights cum Warrants Issue Proceeds for other purposes. In the event that the Company decides to re-allocate the Rights cum Warrants Issue Proceeds or use portions for other purposes, the Company will publicly announce such intention to do so through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

The Company will undertake to make periodic announcements via SGXNET on the utilisation of such Rights cum Warrants Issue Proceeds, as funds are materially disbursed, and whether such a use is in accordance with the proposed use and in accordance with the percentage allocated above. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and annual report. Where there is any material deviation from the proposed use of proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the Rights cum Warrants Issue Proceeds in the Company's annual report until such time the Rights cum Warrants Issue Proceeds have been fully utilised.

In the reasonable opinion of the Directors, there is no minimum amount which must be raised by the Rights cum Warrants Issue.

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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.

The proportion of the allocation of the net proceeds from the Rights cum Warrants Issue and each dollar of such proceeds raised from the Rights cum Warrants Issue in the Maximum Subscription scenario and Minimum Subscription scenario is as follows:–

<b>Intended Use of Proceeds</b>	<b>Net Proceeds from Maximum Subscription scenario (before exercise of the Warrants) Proceeds (S\$ million)</b>	<b>For each dollar of gross proceeds of the Rights cum Warrants Issue (Maximum Subscription scenario (before exercise of the Warrants)) (cents)</b>	<b>Net Proceeds from Minimum Subscription scenario (before exercise of the Warrants) Proceeds (S\$ million)</b>	<b>For each dollar of gross proceeds of the Rights cum Warrants Issue (Minimum Subscription scenario (before exercise of the Warrants)) (cents)</b>
Undertake potential investment in distribution and environmental business	2.4	60	0.8	67
Working capital requirement	0.8	20	0.4	33
Repayment of bank borrowings	0.8	20	–	–
<b>Total</b>	<b>4.0</b>	<b>100</b>	<b>1.2</b>	<b>100</b>

For each dollar of gross proceeds from the Rights cum Warrants Issue, the estimated amount that will be used to pay for expenses incurred in connection with the Rights cum Warrants Issue is approximately 13.75 cents (representing approximately 13.75% of the gross proceeds).

As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions, strategic investments and working capital, and/or such other purposes as the Directors may deem fit.

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5. **If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity 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 and whether the acquisition is on an arm's length basis.**
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As stated in paragraphs 3 and 4 above, the Company intends to utilise the Rights cum Warrants Issue Proceeds for funding the growth and expansion of the Group through investments and improving the Group's general working capital position. Part of the proceeds of the Rights cum Warrants Issue will go towards strengthening the Group's financial position, thereby increasing the Group's ability to strategise, formulate and execute its business plans, granting the Group greater financial flexibility to meet future working capital needs and allowing the Group to expand the business, finance new business ventures through acquisitions, strategic investments and working capital, and/or such other purposes as the Directors may deem fit.

However, as at the Latest Practicable Date, there is no definitive agreement in respect of the intention to use the Rights cum Warrants Issue Proceeds, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity. Nevertheless, in the event that an opportunity arises for the Company to acquire any specific asset, business or entity which the Directors deem to be in the interest of the Company to acquire, the Company may, subject to such announcement or approval of Shareholders being obtained (if applicable), if required by the Catalist Rules, utilise part of the Rights cum Warrants Issue Proceeds to finance such acquisition.

6. **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.**
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The proceeds from the Rights cum Warrants Issue will be used to discharge part of a bank borrowing granted to the Group

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7. In the section containing the information mentioned in paragraphs 2 to 6 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 person 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. In view of the Irrevocable Undertakings, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis. As the Rights cum Warrants Issue is not underwritten, no placement or selling agents have been appointed in relation to the Rights cum Warrants Issue.

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**Information on the Relevant Entity**

- 8(a) 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), and the email address of the relevant entity or a representative of the relevant entity;

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<b>Registered office</b>	:	52 Tuas Avenue 9 Singapore 629193
<b>Principal place of business</b>	:	52 Tuas Avenue 9 Singapore 629193
<b>Telephone Number</b>	:	+65 6210 2727
<b>Facsimile Number</b>	:	+65 6861 5705
<b>Email Address</b>	:	<u><a href="http://www.annaik.com">www.annaik.com</a></u>

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- 8(b) 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;

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The Company was incorporated on 24 September 1977 and was listed on the Main Board of the SGX-ST on 4 September 2003. On 4 May 2016, the listing of the Company was transferred from the Main Board of the SGX-ST to the Catalist.

The principal activities of the Group are that of manufacturing forged steel flanges, distribution of stainless steel piping products and trading of flat steel products which are used mainly in piping systems. The Group also provides environmental and engineering services

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mainly in industrial wastewater treatment, rural wastewater treatment and provision of turnkey projects and environmental consultancy services.

The Group's manufacturing base is in Malaysia, where it manufactures mainly stainless steel and carbon steel forged flanges. The Group's distribution business is based in Singapore, where it is a distributor of stainless steel products focusing on pipes, flanges, valves and fittings and trader of flat steel product. The Group's environmental & engineering business is in the PRC and Singapore, where it mainly focuses on the construction and operation of industrial wastewater treatment plants, provision of rural wastewater treatment and the provision of consulting services in water resource management to governmental and commercial operators.

As at the Latest Practicable Date, the subsidiaries and associates of the Company and their principal activities are as follows.

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Effective Equity Holding</b>	<b>Principal Activities</b>
<b>Manufacturing Business</b>			
Shinsei Industry Sdn Bhd	Malaysia	92%	Production of steel flanges and related products
Shinsei Holdings Pte Ltd	Singapore	92%	Investment holding
<b>Distribution and Trading of Steel Business</b>			
Ann Aik Pte Ltd	Singapore	100%	Marketing and sale of steel related products
Wesco Steel Pte Ltd	Singapore	100%	Marketing and sale of steel related products
Ichinose Emico Valves (S) Pte Ltd	Singapore	50%	Marketing and sale of steel related products
AnnAik & Partners (S) Pte Ltd	Singapore	100%	Investment holding
AnnAik Pipes & Fittings (Shanghai) Co., Ltd	PRC	100%	Marketing and sale of steel related products and provision of import and export agency services
Metal Wang Pte Ltd	Singapore	60%	Wholesale of metals and metal ores
Handel Co., Ltd	Korea	36%	Wholesale of metals and metal ores
<b>Environmental and Engineering Business</b>			
Anxon Environmental Pte Ltd	Singapore	100%	Investment holding

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<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Effective Equity Holding</b>	<b>Principal Activities</b>
AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd	PRC	60%	Owning and management of wastewater treatment plants
ChangXing LiJiaXiang New Era Wastewater Treatment Co., Ltd	PRC	60%	Owning and management of wastewater treatment plants
ChangXing HengYi Wastewater Treatment Co., Ltd	PRC	60%	Owning and management of wastewater treatment plants
ChangXing Annyi Wastewater Treatment Co., Ltd	PRC	60%	Owning and management of wastewater treatment plants
ChangXing AngWei Environmental & Ecological Engineering Co., Ltd	PRC	60%	Owning and management of wastewater treatment plants
Shuanglin (Huzhou) Wastewater Treatment Co., Ltd	PRC	62%	Owning and management of wastewater treatment plants
Anxon Eco Holdings Pte Ltd	Singapore	100%	Investment holding
ChangXing LinSheng Wastewater Treatment Co., Ltd	PRC	88%	Owning and management of wastewater treatment plants
ChangXing WuSheng Wastewater Treatment Co., Ltd	PRC	88%	Owning and management of wastewater treatment plants
LinXing Water Supply Co., Ltd	PRC	75%	Owning and management of fresh water treatment plants
ChangXing LinYi Wastewater Treatment Co., Ltd	PRC	70%	Owning and management of wastewater treatment plants



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<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Effective Equity Holding</b>	<b>Principal Activities</b>
Pioneer Environmental Technology Pte Ltd	Singapore	51%	Development of environmental technologies and environmental engineering
Suzhou Pioneer Environmental Technology Pte Ltd	PRC	41%	Development of environmental technologies and environmental engineering
Wuhan Pioneer Environmental Technology Pte Ltd	PRC	12%	Development of environmental technologies and environmental engineering
Anxon Engineering Pte Ltd	Singapore	55%	Designing, contracting and management of engineering projects
Anxon Envirotech Pte Ltd	Singapore	100%	Investment holding
Shanghai Onway Environmental Development Co., Ltd	PRC	25%	Provision of engineering, procurement and construction activities in relation to wastewater treatment
Zhejiang Xinyu Environmental Technology Pte Ltd	PRC	25%	Provision of engineering, procurement and construction activities in relation to wastewater treatment

**8(c) the general development of the business from the beginning of the period comprising the 3 most recently 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 recently 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;**

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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 for further details.

### Key developments in FY 2016

On 4 February 2016, the Company announced the incorporation of Suzhou Pioneer Environmental Technology Pte Ltd with a registered capital of RMB1 million. Suzhou Pioneer Environmental Technology Pte Ltd was incorporated by the 51% owned subsidiary of the Company, Pioneer Environmental Technology Pte Ltd and three individual parties. The principal activity is environmental engineering services mainly developing environmental technologies and environmental engineering projects.

On 1 March 2016, the Company announced receipt of approval in principle for the application for an extension of time to comply with minimum trading price.

On 28 April 2016, the Company announced that the effective date of the proposed transfer will be on 4 May 2016. Trading of the Company's shares on the Catalist commenced at 9.00 a.m. on the same day under the same stock code: A52.

On 4 May 2016, the Company announced its subsidiary, ChangXing LiJiaXiang New Era Wastewater Treatment Co., Ltd has entered into an extension investment framework agreement on 20 April 2016 with the municipal government of LiJiaXiang. Pursuant to which ChangXing LiJiaXiang has been awarded additional service concession rights to construct and operate a wastewater treatment plant in LiJiaXiang Town, the People's Republic of China. Pursuant to the Agreement, the total designed daily waste water treatment capacity of the Plant will be increased from the existing 30,000 Metric Tons ("MT") capacity to 55,000 MT capacity.

On 10 May 2016, the Company announced the incorporation of ChangXing AnnYi Wastewater Treatment Co., Ltd with a registered capital of RMB10 million. The setting up of ChangXing AnnYi Wastewater Treatment Co., Ltd is to undertake the increased daily treatment of wastewater capacity of 25,000 MT under the built-operate transfer project entered into by its immediate holding company, Changxing LiJiaXiang New Era Wastewater Treatment Co., Ltd with the municipal government of LiJiaXiang.

On 23 September 2016, the Company announced the incorporation of ChangXing Heng Yi Wastewater Treatment Co., Ltd with a registered capital of RMB5 million. ChangXing Heng Yi Wastewater Treatment Co., Ltd is a 100% owned subsidiary of ChangXing LiJiaXiang New Era Wastewater Treatment Co., Ltd and the latter is 60% owned by AngWei Environmental Ecological & Engineering (Shanghai) Ltd. The setting up is to undertake a built operate transfer project with daily treatment capacity of 10,000 MT of wastewater.

On 15 November 2016, the Company announced that its 60% owned subsidiary, ChangXing HengYi. Wastewater Treatment Co., Ltd has entered into a built-operate transfer project on 15 November 2016 with the municipal government of LiJiaXiang to which ChangXing HengYi has been awarded service concession rights to construct and operate a wastewater treatment plant in LiJiaXiang Town, the People's Republic of China.

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### Key developments in FY 2017

On 24 March 2017, the Company announced the incorporation of Handel Co., Ltd in Korea with a paid up capital of Korean Won 100,000,000. Handel Co., Ltd is a 60% owned subsidiary of Metal Wang Pte Ltd and the remaining 20% are owned by 2 individual parties. The incorporation of Handel is to undertake the export and import and trading business of metal and steel products in Korea and the overseas market.

On 1 April 2017, the Company announced that Shanghai Onway Environmental Development Co., Ltd (上海昂未环保发展有限公司) (“**Shanghai Onway**”) together with Anxon Envirotech Pte Ltd, a wholly-owned subsidiary of the Company (“**Anxon Envirotech**”), has entered into a subscription agreement with Shanghai Xingyu Environmental Science and Technology Co., Ltd. (上海兴禹环境科技有限公司) (“**Shanghai Xingyu**”) and a strategic investor, Feishang Industrial Group Co., Ltd (飞尚实业集团有限公司) (“**FSI**”) to allot and issue to the Investor new ordinary shares in Shanghai Onway at an aggregate subscription price of RMB124,897,959 in cash representing a 51% of the shareholding in the enlarged share capital of Shanghai Onway.

On 3 April 2017, the Company announced that ChangXing Linsheng Wastewater Treatment Co., Ltd together with Zhang Jianwen have entered into an equity transfer agreement with Ding Ronglin, Ding Hao and the Changxing Lincheng Government as witness to the Agreement, to acquire 100% of the shares in LinXing Water Supply Co., Ltd. ChangXing Linsheng Wastewater Treatment Co., Ltd will acquire 85% of the registered share capital and Zhang Jianwen will acquire the remaining 15%.

On 26 April 2017, the Company announced that Pioneer Environmental Technology Pte Ltd, a 51% owned subsidiary of the Company together with Tan Aik Hock, Hock Chuan Hong Corporation Pte. Ltd, Poh Seng Kah, Poh Seng Choon, and Poh Seng Chuan entered into a legally binding term sheet to form a joint venture between the parties. Consequently with 20% shares, Hock Chuan Hong Corporation Pte. Ltd will become an associated company of the Company. The principal activities are collection of waste, waste management, recycling and the manufacturing of waste value.

On 3 May 2017, the Company announced that Shanghai Onway, together with Anxon Envirotech, signed a supplementary agreement on 3 May 2017 with Shanghai Xingyu, FSI and Feishang Environmental Investment Co., Ltd. (飞尚环境投资有限公司) (“**FSE**”) to transfer the subscription agreement dated 31 March 2017 entered into between Shanghai Onway together with Anxon Envirotech, Shanghai Xingyu and FSI, from FSI to FSE.

On 11 July 2017, the Company announced the appointment of Mr Lim Geok Peng as an Independent Director and changes to the composition of the Board and Board Committees.

On 27 October 2017, the Company announced that Pioneer Environmental Technology Pte Ltd a 51% owned subsidiary of the company has withdrawn its 20% investment in Hock Chuan Hong Corporation Pte Ltd.

On 21 December 2017, the Company announced that Pioneer Environmental Technology Pte Ltd increased its shareholding in Suzhou Pioneer Environmental Technology Pte Ltd from 70% to 80% by acquiring 50,000 ordinary shares from Dr Qiu Jiangping, an individual party.

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### Key developments in FY2018

On 3 May 2018, the Company announced that its subsidiary, Shinsei Industry Sdn Bhd (“**Shinsei Industry**”) incorporated a wholly owned subsidiary, Shinsei Resources Recovery Sdn Bhd (“**Shinsei Resources**”), with an initial paid-up capital of Malaysian Ringgit 1,000.00, Shinsei Resources to manufacture and trade plastic resin. Shinsei Resources would be 100% owned by Shinsei Industry, with an initial paid-up capital of Malaysian Ringgit 1,000.00.

On 29 June 2018, the Company announced that its subsidiary, Metal Wang Pte Ltd established MW Sonatra Resources Co., Ltd through a joint venture entered into with two (2) unrelated individuals to engage in the business of trading and processing agriculture products. Metal Wang holds 50% and the two (2) individuals hold 25% of the shares each.

On 11 July 2018, the Company announced that as part of a restructuring exercise, it had increased its shareholdings in Annaik & Partners (S) Pte Ltd (“**AA Partners**”) from 65% to 100% by acquiring 700,000 ordinary shares from an unrelated individual party for a consideration sum of S\$145,180.00, based on AA Partners’ consolidated NTA as at 31 May 2018.

On 12 July 2018, the Company announced that its 51% owned subsidiary, Pioneer Environmental Technology Pte Ltd, increased its issued and paid-up share capital from S\$100,000.00 to S\$300,000.00 as part of the Company’s capital risk management policy.

On 23 July 2018, the Company announced that its 88% owned subsidiary, ChangXing LinSheng Wastewater Treatment Co., Ltd (“**ChangXing LinSheng**”) increased its issued and paid-up share capital from equivalent USD2.6 million to USD2.9 million as part of the capital risk management policy and in preparation for its additional investment into a new wastewater treatment plant in LinCheng Town, the People’s Republic of China.

On 26 July 2018, the Company announced the appointment of Miss Tan Poh Hong as an Independent Director, and the changes to the composition of the Board and Board Committees.

On 30 July 2018, the Company announced that its subsidiary, ChangXing LinSheng had entered into an extension of its investment framework agreement with the municipal government of Changxin LinCheng, pursuant to which ChangXing LinSheng has been awarded additional service concession rights to construct and operate a wastewater treatment plant in LinCheng Town. The concession rights will start from the commencement of commercial operation of the plant, which the construction of the Plant is expected to be completed by the third quarter of 2019.

On 2 August 2018, the Company announced that its 88%-owned subsidiary, ChangXing LinSheng, incorporated in the People’s Republic of China, has increased its issued & paid-up share capital from equivalent USD2.9 million to USD3.2 million as part of the capital risk management policy and additional investment in a new wastewater treatment plant in LinCheng Town, the People’s Republic of China.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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On 8 August 2018, the Company announced that it had increased its shareholding in its subsidiary, Wesco Steel Pte. Ltd from 70% to 100% by acquiring 265,987 ordinary shares from an unrelated individual party for a consideration of S\$1.00, based on Wesco's NTA as at 7 August 2018 as part of a restructuring exercise. Wesco will be placed as a dormant company and its existing business will be merged under the Company's wholly owned subsidiary, Ann Aik Pte. Ltd.

On 17 August 2018, the Company announced that its associate company, Shanghai Onway, together with other strategic investors had been awarded its maiden public-private partnership project in Wujiang District, Shaoguan City, Guangdong Province of the PRC for the provision of garbage removal, cleaning services and solid waste reduction loading stations and rural wastewater treatment facilities and associated piping network in three townships. The project is worth approximately RMB26.68 million.

On 21 August 2018, the Company announced that it had entered into a non-binding strategic collaboration memorandum with Zhejiang Fuchun Ziguang Environmental Co., Ltd, for the purpose of establishing a business collaboration and overall strategic partnership in relation to the water treatment and environmental protection industry in Zhejiang Province, PRC.

On 17 September 2018, the Company announced it had incorporated a subsidiary, ChangXing LinYi Wastewater Treatment Co., Ltd, to undertake the additional daily treatment of wastewater under the built-own-operate project entered into by its immediate holding company, ChangXing LinSheng on 30 July 2018.

On 1 October 2018, the Company announced that its subsidiary, ChangXing AngWei Environmental & Ecological Engineering Co., Ltd ("**Angwei**") had entered into a framework agreement with the municipal government of ChangXing pursuant to which Angwei has been awarded additional service concession rights to construct and operate a wastewater treatment plant in ChangXing Town, PRC.

On 28 December 2018, Company announced that it is proposing to undertake the Rights cum Warrants Issue being the renounceable and non-underwritten rights issue up to 63,850,725 Rights Shares (assuming all 10,632,000 outstanding and unexercised Share options under the ESOS 2013 and exercisable prior to the Books Closure Date are exercised before the Books Closure Date) at the Rights Issue Price for each Rights Share and up to 63,850,725 Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price, on the basis of one (1) Rights Share and one (1) Warrant for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. The Company had then made an updated announcement on 11 July 2019 that it would be seeking approval of the Shareholders for the Rights cum Warrants Issue and Whitewash Resolution at the extraordinary general meeting of the Company to be convened on 2 August 2019. The Company thereafter announced on 26 July 2019 that it had obtained the approval for the Listing and Quotation Notice from the SGX-ST for the listing of the Rights Shares and Warrant on the Catalist Board of the SGX-ST.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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### Key developments from 31 December 2018 up to the Latest Practicable Date

On 7 January 2019, the Company announced that its subsidiary, Shinsei Industry had disposed its entire shareholding interest in Shinsei Resources to an unrelated individual as part of a restructuring exercise for a consideration of Malaysian Ringgit 11,000 or S\$3,600 based on, inter alia, the net assets book value of Shinsei Resources based on the latest management financial statements as at 30 November 2018.

On 24 May 2019, the Company announced that its wholly-owned subsidiary, Anxon Environmental Pte Ltd, has entered into a sale and purchase agreement with Shanghai WanZhuan Environmental Technology Partnership Enterprise (Limited Partnership) on 22 May 2019 to acquire 20.00% of the shares in Shuanglin (Huzhou) Wastewater Treatment Co., Ltd for a consideration of RMB8,935,295.27.

On 20 August 2019, the Company announced that LinXing Water Supply Co., Ltd (“**LinXing**”), a subsidiary 85% owned by ChangXing LinSheng Wastewater Treatment Co., Ltd (“**LinSheng**”) and 15% owned by Zhang Jian Wen (unrelated party), has on 20 August 2019 entered into a sale and purchase agreement (the “**SPA**”) with ChangXing LinCheng QingQuan Water Supply Co., Ltd and the Changxing Lincheng Government for the sale of LinXing’s fixed assets, inventories and its principle business for a consideration of RMB16,200,000, on the terms and subject to the conditions of the SPA. LinSheng is a subsidiary 88% owned by Anxon Eco Holdings Pte Ltd., a wholly-owned subsidiary of the Company. Upon completion of the sale, LinXing will be wound up by way of a members’ voluntary winding up by 1 February 2020.

Save as disclosed herein, or as otherwise previously disclosed publicly by the Company, there has been no material change in the affairs of the Group during the period from 31 December 2018 to the Latest Practicable Date.

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### 8(d) State 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;

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As at the Latest Practicable Date, the share and loan capital of the Company comprise:–

<b>Issued and Paid Up Share Capital</b>	S\$35,660,507.79 divided into 244,770,900 Shares. There are no options or warrants or other convertible securities in existence under which the Company has an obligation to issue additional Shares, save for 10,632,000 outstanding and unexercised Share options under the ESOS 2013, which are exercisable prior to the Books Closure Date.
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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

<b>Loan Capital</b>	No loan capital has been issued by the Company
<b>Number of Treasury Shares</b>	4,202,100

**8(e) where –**

- (i) the relevant entity is a corporation, state 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, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

Based on information in the Register of Substantial Shareholders maintained by the Company under Section 88 of the Companies Act as at the Latest Practicable Date, the Substantial Shareholders of the Company and the number of Shares in which they have an interest are as follows:–

Substantial Shareholder	Direct Interest		Deemed Interest		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ow Chin Seng <sup>(1)</sup>	74,362,958	30.38	8,274,924	3.38	82,637,882	33.76
Low Kheng <sup>(1)</sup>	8,274,924	3.38	74,362,958	30.38	82,637,882	33.76

(1) Ow Chin Seng and Low Kheng are husband and wife.

**8(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment 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**

As at the date of this Offer Information Statement and save as disclosed below, the Directors are not aware of any legal or arbitration proceedings pending or threatened or known to be contemplated, by or against the Company or any of its subsidiaries which might have or which have had in the 12 months immediately preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Company or the Group taken as a whole or of any facts likely to give rise to any such litigation or arbitration claim.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**8(g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**

- (i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**
- (ii) if the securities, securities-based derivatives contracts or equity interests 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, securities-based derivatives contracts or equity interests;**

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No securities or equity interests of the Company have been issued for cash or services by the Company within the 12 months immediately preceding the Latest Practicable Date.

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**8(h) 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 2 years immediately preceding the date of lodgment 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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Save as disclosed herein, the Company and its subsidiaries have not entered into any material contracts (not being contracts entered into in the ordinary course of business) for the period of two (2) years immediately preceding the date of lodgement of this Offer Information Statement:–

- (a) On 30 July 2018, the Company announced that its 88% owned subsidiary, ChangXing LinSheng Wastewater Treatment Co., Ltd (“**ChangXing LinSheng**”) has entered into an extension investment framework agreement on 30 July 2018 with the municipal government of ChangXin LinCheng pursuant to which ChangXing LinSheng has been awarded additional service concession rights to construct and operate a wastewater treatment plant in LinCheng Town, the People’s Republic of China.**
- (b) On 17 August 2018, the Company announced that its 25% owned associate, Shanghai Onway Environmental Co., Ltd together with other strategic investors had been awarded its maiden Public-Private-Partnership project in July 2018 by Wujiang District, Housing and Urban Construction Bureau worth approximately RMB134 million or equivalent to approximately S\$26.80 million (“**Project**”). The Project will be undertaken by a joint venture.**



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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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- (c) On 21 August 2018, the Company announced that its that the Company has on 21 August 2018 entered into a non-binding strategic collaboration memorandum with Zhejiang Fuchun Ziguang Environmental Co., Ltd. (“**Fuchun Ziguang**”), an independent unrelated third party for the purposes of establishing a business collaboration and overall strategic partnership between the Company and Fuchun Ziguang in relation to the water treatment and environmental protection industry in Zhejiang Province, PRC.
- (d) On 1 October 2018, the Company announced that its subsidiary, ChangXing AngWei Environmental & Ecological Engineering Co (“**Angwei**”), Ltd had entered into a framework agreement with the municipal government of ChangXing pursuant to which Angwei has been awarded for the additional service of granting service concession rights to construct and operate a wastewater treatment plant in ChangXing Town, PRC.
- (e) On 24 May 2019, the Company announced that its wholly-owned subsidiary, Anxon Environmental Pte Ltd, has entered into a sale and purchase agreement with Shanghai WanZhuan Environmental Technology Partnership Enterprise (Limited Partnership) on 22 May 2019 to acquire 20% of the shares in Shuanglin (Huzhou) Wastewater Treatment Co., Ltd for a consideration of RMB8,935,295.27.
- (f) On 20 August 2019, the Company announced that LinXing Water Supply Co., Ltd (“**LinXing**”), a subsidiary 85% owned by ChangXing LinSheng Wastewater Treatment Co., Ltd (“**LinSheng**”) and 15% owned by Zhang Jian Wen (unrelated party), has on 20 August 2019 entered into a sale and purchase agreement (the “**SPA**”) with ChangXing LinCheng QingQuan Water Supply Co., Ltd and the Changxing Lincheng Government for the sale of LinXing’s fixed assets, inventories and its principle business for a consideration of RMB16,200,000, on the terms and subject to the conditions of the SPA. LinSheng is a subsidiary 88% owned by Anxon Eco Holdings Pte Ltd., a wholly-owned subsidiary of the Company. Upon completion of the sale, LinXing will be wound up by way of a members’ voluntary winding up by 1 February 2020.

**PART V (OPERATING AND FINANCIAL REVIEW AND PROSPECTS)**

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**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 3 most recently 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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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

The audited consolidated income statements of the Group for FY2016, FY2017 and FY2018, and the unaudited consolidated income statements of the Group for HY2018 and HY2019 are set out below.

	<b>FY2016 (Audited) S\$'000</b>	<b>FY2017 (Audited) S\$'000</b>	<b>FY2018 (Audited) S\$'000</b>	<b>HY2018 (Unaudited) S\$'000</b>	<b>HY2019 (Unaudited) S\$'000</b>
<b>Revenue</b>	<b>48,022</b>	<b>49,338</b>	<b>56,766</b>	<b>30,390</b>	<b>21,971</b>
Cost of Sales	(39,891)	(39,899)	(46,025)	(24,130)	(16,495)
<b>Gross Profit</b>	<b>8,131</b>	<b>9,439</b>	<b>10,741</b>	<b>6,260</b>	<b>5,476</b>
Other operating income <sup>(1)</sup>	1,113	6,785	1,803	1,299	718
Distribution expenses	(1,659)	(1,689)	(1,557)	(790)	(635)
Administrative expenses	(8,251)	(9,517)	(9,419)	(4,770)	(4,362)
Impairment losses on financial assets	(20)	(40)	(217)	(13)	(48)
Other operating expenses <sup>(2)</sup>	(4,560)	(1,281)	(477)	(416)	(288)
Share of results of associate and joint venture	2,489	673	1,964	1,059	315
Finance costs	(1,035)	(1,033)	(1,157)	(590)	(653)
<b>Profit before income tax</b>	<b>(3,792)</b>	<b>3,337</b>	<b>1,681</b>	<b>2,039</b>	<b>523</b>
Income tax expenses	(518)	(241)	(326)	(224)	(279)
<b>Profit for the year</b>	<b>(4,310)</b>	<b>3,096</b>	<b>1,355</b>	<b>1,815</b>	<b>244</b>
<b>Attributable to:</b>					
Owners of the Company	(4,568)	2,621	1,222	1,295	13
Non-controlling interests	258	475	133	520	231
Earnings per Share (cents) <sup>(3)</sup>	(1.83)	1.05	0.50	0.52	0.01
Gross dividend declared per Share (cents)	0.20	0.20	—	—	—
Earnings per Share after the Rights Issue (cents) <sup>(4)</sup>	(1.46)	0.84	0.39	0.42	—

**Notes:**

- (1) Gain on dilution of interest in investment of \$4,584,000 in FY2017.
- (2) Impairment of available-for-sale financial assets \$3,467,000 in FY2016.
- (3) Calculated based on the weighted average number of Shares of 248,973,000 in FY2016, 248,778,000 in FY2017, 246,406,000 in FY2018, 246,663,802 in HY2018 and 244,770,900 in HY2019. (Loss)/earnings per Share is calculated by dividing (loss)/profit attributable to owners of the Company by the weighted average number of Shares in issue during the year.
- (4) Adjusted for 63,850,725 Rights Shares that were assumed to have been issued on the first day of the financial year. Does not take into account the effects of the use of proceeds from the Rights cum Warrants Issue on the earnings of the Group.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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2. The data mentioned in paragraph 1 of this Part must 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 must 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;
  - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

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Please refer to paragraph 1 of this Part.

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3. Despite paragraph 1 of this Part, where –
- (a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and
  - (b) the audited financial statements for that year are unavailable,
- the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

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The audited financial statements in respect of FY2018, which is the most recently completed financial year, have been published and are made available on the SGX website at <http://www.sgx.com/>.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**4. In respect of –**

- (a) each financial year (being one of the 3 most recently 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.**

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Save as disclosed below and in this Offer Information Statement, the Directors are not aware of any significant factor, including any unusual or infrequent event or new development which materially affected profit or loss before tax of the Group.

A discussion of the performance of the Group for FY2016, FY2017, FY2018, HY2018 and HY2019 is set out below:

**Performance Review for FY2017 compared to FY2016**

The Group's profit attributable to owners of the company for the year ended 31 December 2017 was S\$2.62 million as compared to a loss of S\$4.57 million recorded in the prior year. The significant improvement of results was mainly due to a gain on dilution of shares in an associate amounting to S\$4.58 million, following the investment made by a strategic investor in one of our environmental businesses in China, being the Onway group. In addition, the absence of S\$3.47 million impairment of available-for sale financial assets in relation to Dalian Shi Cheng project provided in the prior year and the successful restructuring of the manufacturing business with continued implementation of cost cutting scheme also contributed to the improved group results as compared to prior year.

The Group's revenue for the year ended 31 December 2017 increased marginally by 2.74% from S\$48.02 million to S\$49.34 million. The increase in group revenue of S\$1.32 million was mainly due to higher sales contributed by the trading of flat steel products division under the distribution business, especially for sales in India and Philippines markets and new sales in Korea market from the newly set up Korea office, Handels, which started its operations in March 2017. However, the increase was largely offset by decreased sales in the steel piping products & flanges division, under distribution and manufacturing businesses due to the prolonged, weak and depressed steel market in Singapore and the region.

Gross profit increased by S\$1.31 million or 16.09% for the year ended 31 December 2017. The increase was predominantly attributable to higher gross profit and better gross profit margin contributed by newly set up industrial wastewater treatment plant, ChangXing AnnYi, and the newly acquired water supply plant, LinXing Water Supply, coupled with the improved tariff obtained.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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The Group's distribution and finance costs remained stable during the year. The increase in administrative expenses were due to higher operating cost incurred for the newly set up company, Handel Korea, under the distribution business, and the set up of ChangXing AnnYi and LinXing Water Supply, under the environmental business which all contributed positively to the group. The substantial lower other operating expenses in the current year were due to the absence of impairment of available-for-sale financial asset amounting to S\$3.47 million which was recognised in the prior year. The significant increase in other income was mainly attributed to recognition of gain on dilution of shares in an associate amounting to S\$4.58 million and higher government grant of S\$0.71 million obtained under the environmental business in the current year.

The share of profit of an associate and joint venture was S\$0.67 million for year ended 31 December 2017 as compared to S\$2.49 million in the prior year. The share of profit was contributed from industrial and rural wastewater treatment divisions under the environmental business. The smaller share of results in rural wastewater treatment business was due to dilution of our shareholding from 51% to 25% after a strategic investor invested RMB125 million in Onway group in July 2017 for a 51% stake. In addition, our newly appointed auditor (华普天建) of Onway group in China adopted a much prudent approach by making general provision of doubtful debts amounting to total of RMB8 million for compliance with PRC listing requirement, which affected our share of profit in Onway group this year.

### **Performance Review for FY2018 compared to FY2017**

The Group's profit attributable to owners of the Company for the year ended 31 December 2018 was S\$1.22 million as compared to S\$2.62 million recorded in the prior year. The dip in results was mainly due to the one-off gain on dilution of interest in investment amounting to S\$4.58 million accounted for in prior year. Excluding this one-off gain on dilution in investment accounted for in 2017, the Group's profit attributable to owners of the Company had turned around from a S\$1.96 million operating loss in 31 December 2017 to a S\$1.22 million operating profit in 31 December 2018.

The improvement of operating results was mainly attributable to higher turnover and improved gross profit from the divisions engaging in steel products distribution and steel flanges manufacturing. Particularly, the successful restructuring of the steel flanges manufacturing division significantly lowered the operating cost incurred in the current year. The completion and securing of environmental projects under the EPC model by an associate company for rural wastewater treatment business, and improved utilisation rate and contribution from newly set up industrial wastewater treatment plants contributed positively to results of the environmental division and the overall performance of the Group in the current year.

The Group's revenue for the year ended 31 December 2018 increased 15.06% from S\$49.34 million to S\$56.77 million. The S\$7.43 million increase in group revenue was mainly due to higher sales generated by Metal Wang Pte Ltd, its newly set up subsidiary, Handel Co., Ltd, and AnnAik Pte Ltd – under the steel products distribution division – in India, Korea and Malaysia markets. In addition, increased steel prices and intensive marketing efforts had led to better sales performance for the steel flanges manufacturing division. However, the increase was partially offset by fierce market competition in Singapore and China which resulted in a S\$1.83 million reduction in hazardous wastewater treatment project sales.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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Gross profit increased by S\$1.30 million or 13.79% for the year ended 31 December 2018. The increase was predominantly attributable to higher turnover and stable gross profit margin from steel products distribution and steel flanges manufacturing divisions which saw higher selling price and better cost management. In addition, gross profit and gross profit margin from the industrial wastewater treatment business under the environmental division improved due to better utilisation rate and achievement of economy of scale by newly set up or acquired plants – ChangXing HengYi Wastewater Treatment Co., Ltd and LinXing Water Supply Co., Ltd. However, lower turnover and gross profit margin generated from the hazardous wastewater treatment business offset the increase.

The increase in administrative expenses were due to higher operating costs incurred for newly set up company, Handel Co., Ltd under the steel products distribution division and ChangXing HengYi Wastewater Treatment Co., Ltd and LinXing Water Supply Co., Ltd under the environmental division; all of which made positive contribution to the Group. Slight reduction in distribution expenses was due to better planning and coordination of shipment while the decrease in other operating expenses were mainly due to absence of impairment and written off of property, plant and equipment and lower foreign exchange losses incurred during the year. The significant decrease in other income was mainly attributed to recognition of a one-off gain on dilution of interest in investment amounting to S\$4.58 million in the prior year. Finance costs increased due to higher cost of funding.

The share of profit of an associate was S\$1.96 million for the year ended 31 December 2018 as compared to S\$0.67 million in the prior year. The improvement was due mainly to completion and delivery of higher profitable rural wastewater treatment projects under the EPC model in 2018.

### **Performance Review for HY2019 compared to HY2018**

The Group's profit attributable to owners of the company for the period ended 30 June 2019 was S\$0.01 million as compared to a profit of S\$1.30 million recorded in the prior period. The dip in results was mainly due to lower sales and gross profit recorded in the distribution of steel business division and lesser contribution from the associate company under the environmental business division.

The Group's revenue for the period ended 30 June 2019 decreased 27.7% from S\$30.39 million to S\$21.97 million. The decrease in group revenue of S\$8.42 million was mainly due to substantially lower sales generated, amounting to S\$9.6 million from its trading of steel business under Metal Wang Pte Ltd and its subsidiary, Handel Co., Ltd as compared to 30 June 2018. This significant drop in sales was mainly affected by trade barrier and duties imposed in its principal markets especially in India, Korea and Philippines. However, the overall decrease in Group's revenue was partially offset by improvement in sales by S\$0.29 million under the manufacturing of steel business division as a result of increased marketing efforts in Singapore and Malaysia. Additionally, higher revenue achieved by industrial wastewater treatment and hazardous wastewater treatment businesses, both under the environmental business division, is mainly due to improved treatment utilisation rate and more EPC projects delivered in China had also cushioned the decrease in Group's revenue.

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## **SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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Gross profit decreased by S\$0.78 million or 12.52% for the period ended 30 June 2019. The decrease was in tandem with lower revenue recorded in the distribution of steel business division. Gross profit margin increased by approximately 4.5 percentage points as a result from the change in product mix in the distribution of steel business division.

The decrease in other operating income by S\$0.58 million was mainly due to the absence of one-off government grants and other projects income obtained under the environmental business in the current period.

The Group's distribution expenses decreased by S\$0.15 million or 19.62% as compared to the prior period which was in tandem with lower revenue generated.

Administrative expenses decreased by S\$0.41 million or 8.55% mainly due to cost control measures in place.

Other operating expenses decreased by S\$0.13 million or 30.77% which was in tandem with lower revenue generated.

Share of associate results mainly from rural wastewater treatment business decreasing by S\$0.74 million or 70.25% due to lesser EPC projects secured and delivered in the first half of 2019 as compared to prior period.

Higher finance costs was attributed by increased interest bearing borrowings balances.

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### **Financial Position**

- 5. 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 recently 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.**
-



**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

The audited consolidated balance sheet of the Group for FY2018 and unaudited consolidated balance sheet of the Group for HY2019 are set out below.

	<b>FY2018 (Audited) S\$'000</b>	<b>HY2019 (Unaudited) S\$'000</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Land use rights	7	7
Inventories	19,537	18,628
Prepayments	112	240
Trade and other receivables	16,669	15,312
Finance derivative assets	1	–
Cash and bank balances	5,468	7,770
Assets classified as held for sale	636	631
<b>Total current assets</b>	<b>42,430</b>	<b>42,588</b>
<b>Non-current assets:</b>		
Property, plant and equipment	27,529	26,771
Rights-of-use assets	–	2,460
Land use rights	269	264
Goodwill	1,339	1,339
Intangible assets	21,856	22,116
Investment in associates	13,838	14,218
Club membership	190	190
Refundable deposits	869	873
Deferred tax assets	4	4
<b>Total non-current assets</b>	<b>65,894</b>	<b>68,235</b>
<b>Total assets</b>	<b>108,324</b>	<b>110,823</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities:</b>		
Amounts due to subsidiaries and associates	2,646	2,081
Trade payables	2,627	2,514
Other payables and accruals	6,788	8,767
Loans and borrowings	15,767	15,456
Provision for income tax	369	450
Finance derivative liabilities	–	6
<b>Total current liabilities</b>	<b>28,197</b>	<b>29,274</b>



**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

	<b>FY2018 (Audited) S\$'000</b>	<b>HY2019 (Unaudited) S\$'000</b>
<b>Non-current liabilities:</b>		
Other payables and accruals	43	139
Loans and borrowings	16,672	17,901
Government grants	1,703	1,657
Deferred tax liabilities	423	423
Finance derivative liabilities	12	–
Total non-current liabilities	18,853	20,120
Total liabilities	47,050	49,394
<b>Net assets</b>	<b>61,274</b>	<b>61,429</b>
<b>Capital, reserves and non-controlling interests:</b>		
Share capital	36,131	36,131
Treasury shares	(470)	(470)
Foreign currency translation reserve	(504)	(540)
Statutory reserve fund	1,070	1,070
Employee share option reserve	580	580
Retained earnings	18,421	18,438
Equity attributable to owners of the Company	55,228	55,209
Non-controlling interests	6,046	6,220
Total equity	61,274	61,429
<b>Total liabilities and equity</b>	<b>108,324</b>	<b>110,823</b>
<b><u>As at balance sheet date</u></b>		
NAV	51,428	51,581
Number of Shares	244,770,900	244,770,900
NAV per Share	0.21	0.21
<b><u>After the Rights cum Warrants Issue but before the exercise of Warrants</u></b>		
<b><i>Assuming the Minimum Subscription Scenario</i></b>		
NAV	52,606	52,759
Number of Shares	265,430,370	265,430,370
NAV per Share	0.20	0.20

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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	FY2018 (Audited) S\$'000	HY2019 (Unaudited) S\$'000
<i><b>Assuming the Maximum Subscription Scenario</b></i>		
NAV	56,296	56,449
Number of Shares	319,253,625	319,253,625
NAV per Share	0.18	0.18
<u><b>After the Rights cum Warrants Issue and after the exercise of Warrants</b></u>		
<i><b>Assuming the Minimum Subscription Scenario</b></i>		
NAV	56,738	56,891
Number of Shares	286,089,840	286,089,840
NAV per Share	0.20	0.20
<i><b>Assuming the Maximum Subscription Scenario</b></i>		
NAV	69,066	69,219
Number of Shares	383,104,350	383,104,350
NAV per Share	0.18	0.18

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6. The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
  - (b) net assets or liabilities per share;
  - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.
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Please refer to paragraph 5 of this Part.

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**Liquidity and Capital Resources**

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recently 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.
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The audited consolidated cash flow statement of the Group for FY2018 and the unaudited consolidated cash flow statement of the Group for HY2019 are set out below:–

	<b>FY2018 (Audited) S\$'000</b>	<b>HY2019 (Unaudited) S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	1,681	523
<b>Adjustments for:</b>		
Impairment losses on trade receivables	217	48
Allowance for slow moving inventories	379	–
Amortisation of intangible assets	1,306	600
Amortisation of land use rights	7	4
Amortisation of government grant	(70)	(35)
Bad debts written off	5	–
Depreciation of property, plant and equipment	1,467	734
Fair value loss/(gain) on derivative of financial assets (unrealised)	(38)	(5)
Finance costs	1,157	653
Interest income	(41)	(11)
Gain on disposal of plant and equipment	(17)	–
Reversal of write-down of inventories to net realisable value	(46)	–
Written off intangible assets	36	–
Written off property plant and equipment	–	4
Share of profits of associates	(1,964)	(315)
Unrealised foreign exchange loss	91	74
<b>Operating profit before working capital changes</b>	<b>4,170</b>	<b>2,274</b>
<u>(Increase)/decrease in:</u>		
Trade receivables	(412)	(659)
Other receivables	(2,735)	1,838
Inventories	403	909
<u>Increase in:</u>		
Trade payables	82	(113)
Other payables	2,102	2,077
Bill payables	1,015	(665)
<b>Cash (used in)/generated from operations</b>	<b>4,625</b>	<b>5,661</b>

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

	<b>FY2018 (Audited) S\$'000</b>	<b>HY2019 (Unaudited) S\$'000</b>
Interest paid	(1,157)	(584)
Interest income received	41	11
Income taxes paid	(495)	(200)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>3,014</b>	<b>4,888</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	101	1
Proceeds from disposal of available-for-sale financial assets	145	–
Decrease in amount due from associates	(735)	(565)
Receipt of fixed deposit, pledged	1,000	–
Purchase of property, plant and equipment	(477)	(23)
Proceed from disposal of Subsidiary	–	4
Additions to intangible assets	(1,847)	(985)
<b>Net cash flows used in investing activities</b>	<b>(1,813)</b>	<b>(1,568)</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(254)	–
Repayment of loans and borrowings	(61)	(801)
Acquisition of non-controlling interests without a change in control	(145)	–
Contribution from non-controlling interests	360	–
Repayment of obligations under finance leases	(67)	(116)
Dividends paid	(493)	–
<b>Net cash flows generated from financing activities</b>	<b>(660)</b>	<b>(917)</b>
Net (decrease)/increase in cash and cash equivalents	541	(2,403)
Cash and cash equivalents at the beginning of the year	4,990	5,468
Effect of exchange rate changes on the balance of cash held in foreign currencies	(63)	(101)
<b>Cash and cash equivalents at the end of the year<sup>(1)</sup></b>	<b>5,468</b>	<b>7,770</b>

**Note:–**

(1) Cash and cash equivalents at the end of year include cash and bank balances, bank overdrafts and exclude of fixed deposit pledged.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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The cash and cash equivalents as at 31 December 2018 increased by S\$0.54 million to S\$5.47 million. The increase was mainly due to positive cash flows generated from operating activities amounting to S\$3.01 million in current year, comprising S\$4.17 million operating cash flow before working capital changes, offset by S\$1.16 million interest paid. However, the increase was partially offset by S\$1.85 million used for addition to intangible assets for industrial wastewater treatment plants expansion, S\$0.74 million repayment to associate and S\$0.48 million purchase of property plant and equipment under investing activities, and S\$0.49 million payment of dividend and S\$0.25 million purchase of treasury shares under share buy-back arrangement under financing activities.

The cash and cash equivalents increased noticeably by S\$2.30 million from S\$5.47 million as at 31 December 2018 to S\$7.77 million as at 30 June 2019. The improvement in cash and cash equivalents was mainly due to positive cash flows amounting to S\$4.89 million generated from operating activities in first half of 2019. The positive cash flows generated from operating activities was partially offset by cash flow used in investing activities for repayment of amount due from associate of S\$0.57 million and additions to intangible assets and purchase of property, plant and equipment amounting to approximately S\$1.01 million. In addition, net cash outflows in financing activities was S\$0.92 million mainly attributed to repayment of bank borrowings and finance leases to support working capital.

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- 8. 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 lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**
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As at the date of lodgement of this Offer Information Statement, the Directors are of the reasonable opinion that, after taking into consideration the existing bank facilities available to the Group, the Group's internal resources and operating cash flows and barring unforeseen circumstances, the working capital available to the Group is sufficient for at least the next 12 months. Notwithstanding this, the Company is undertaking the Rights cum Warrants Issue based on the potential net proceeds to be raised for the reasons stated in paragraph 3 of Part IV of this Offer Information Statement.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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9. 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 or securities-based derivatives contracts in the relevant entity, provide –
- (a) a statement of that fact;
  - (b) details of the credit arrangement or bank loan; and
  - (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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To the best of the Directors' knowledge as at the Latest Practicable Date, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

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**Trend Information and Profit Forecast or Profit Estimate**

10. Discuss –

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and
- (b) 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 for at least the current financial year, or that may 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.

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The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section entitled "**Cautionary Note on Forward-Looking Statements**" on page 40 of this Offer Information Statement for further details.

**Business and financial prospects of the Group for the next 12 months**

Ever since the new administration of the United States of America ("**USA**") took office, it has implemented policies to address the issue of its massive trade imbalance with the world. It

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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has not only directed at China but to any entities that have ‘taken advantage’ of the USA. The consequence of these actions has created both negative and positive impacts on the global economic front. In addition, the United Kingdom’s decision to pull out of the European Union has not helped the situation. It brought about greater uncertainty in international trade but yet created new opportunities.

Many companies have started to relocate their operation base to locations that may offer better business stability. Since the beginning of the year, South East Asia has experienced an exodus of business migration within the region and with other trading nations. This has created both business termination and creation globally, creating jobs and at the same time ceasing jobs. Companies with operations predominantly in the USA has been impacted the most.

The Group has no substantial dealings with the USA or the European market. But it is indirectly impacted by the investment from two big market players. Less capital spending from them into this region means less demand for our products and services. Individual Asian economies are feeling the impact and has started to fend off this event by creating and encouraging local demand and spending.

Fortunately, the Group has already started to take on the proactive approach not to depend on a single market or industry. It has already diversified into environmental and brand management by building and operating in local markets and working closely with product brand owners/manufacturers. In this light, the Group’s collaboration with the locals will work with its trading partners and to avoid the pitfall of trade protection and sustain its income stream.

### **Uncertainties, Demands, Commitments or Events**

Save as disclosed below and in this Offer Information Statement, the latest audited financial statements for FY2018, the unaudited financial statements for HY2019 and in the announcements of the Company and barring any unforeseen circumstances, the Directors are not aware of any known trends, uncertainties, demands, commitments or events of the current financial year, being FY2019, 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 Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the current financial year. In respect of the performance of the Company for the current financial year and save as disclosed, the Directors are not aware of any factor relating to the business and financial prospects of the Group and/or trends that will have a material effect on the financial condition and operating results.

This section and the section entitled “**Risk Factors**” on pages 45 to 49 of this Offer Information Statement is only a summary, and is not an exhaustive description, of all the uncertainties, demands, commitments or events that are reasonably likely to affect the Group. There may be additional uncertainties, demands, commitments or events not presently known to the Group, or that the Group may currently deem immaterial, which could affect its business, results of operations, financial condition and prospects.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**Risk Factors**

Please refer to the section entitled “**Risk Factors**” on pages 45 to 49 of this Offer Information Statement for the risks which the Group faces.

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11. **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 Offer Information Statement.

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12. **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 is disclosed in this Offer Information Statement.

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13. **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 mentioned in paragraph 12 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 Offer Information Statement.

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14. **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 mentioned in paragraph 13 of this Part –**

(a) **a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, 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 the auditor’s examination of the evidence supporting the assumptions mentioned in paragraph 12 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 the auditor’s attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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15. 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 mentioned in paragraph 13 of this Part –
- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person 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 the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 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 the auditor's attention which gives the auditor 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 Offer Information Statement.

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**Significant Changes**

16. Disclose any event that has occurred from the end of –
- (a) the most recently 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 statement to that effect.
- 

Save as disclosed in this Offer Information Statement or as may have been publicly announced by the Company via SGXNET, there is no event that has occurred from 31 December 2018 to the Latest Practicable Date which has not been publicly announced which may have a material effect on the Group's results and financial position.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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17. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

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Noted.

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**PART VI (THE OFFER AND LISTING)**

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**Offer and Listing Details**

1. **Indicate the price at which the securities or securities-based derivatives contracts 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 lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**

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The issue price for each Rights Share is S\$0.065 payable in full on acceptance and/or application, with one (1) free detachable and transferable Warrant given with every one (1) Rights Share subscribed. The exercise price for each Warrant is S\$0.200, payable in full upon exercise of the Warrants (subject to adjustments under certain circumstances as provided in the Deed Poll).

The expenses incurred in the Rights cum Warrants Issue will not be specifically charged to applicants of the Rights Shares with Warrants. The expenses associated with the Rights cum Warrants Issue will be deducted from the gross proceeds received by the Company from the Rights cum Warrants Issue.

A non-refundable administrative fee will be incurred for each successful Electronic Application made through the ATMs of the Participating Bank, and such administrative fee will be borne by the applicants of the Rights Shares with Warrants.

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2. **If there is no established market for the securities or securities-based derivatives contracts 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**

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Not applicable in respect of the Rights Shares and the Warrant Shares, as the Shares are, and the Rights Shares and Warrant Shares will be, traded on the Catalist.

There is no established market for the Warrants.

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## **SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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The Warrant Exercise Price of S\$0.200 per Warrant Share was determined by the Company after taking into consideration the net tangible assets of the Company, and the length of the Warrant Exercise Period.

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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 or securities-based derivatives contracts 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.**

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Save for the Rights cum Warrants Issue and in accordance with the terms of the Rights cum Warrants Issue, none of the Shareholders has pre-emptive rights to subscribe for the Rights Shares with Warrants.

As there may be prohibitions or restrictions against the offering of Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the section entitled “**Eligibility of Shareholders to Participate in the Rights cum Warrants Issue**” on pages 35 to 37 of this Offer Information Statement for further information.

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**4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –**

- (a) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities- or securities-based derivatives contracts –**
  - (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**

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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- (b) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities- or securities-based derivatives contracts –
- (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 approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.

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- (a) No securities of the same class as the Warrants are listed for quotation on any securities exchange.

The Rights Shares and the Warrant Shares to be issued upon any exercise of the Warrants are of the same class as the Shares and the Shares are listed for quotation on the Catalist.

The highest and lowest market prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 September 2018 to the Latest Practicable Date are set out below.

MONTH	PRICE RANGE		VOLUME OF SHARES TRADED PER MONTH <sup>(3)</sup>
	HIGH (S\$) <sup>(1)</sup>	LOW (S\$) <sup>(2)</sup>	
September 2018	0.110	0.100	353,100
October 2018	0.119	0.101	71,100
November 2018	0.130	0.100	3,368,300
December 2018	0.109	0.090	332,800
January 2019	0.100	0.090	118,000
February 2019	0.100	0.070	157,100
March 2019	0.100	0.073	53,500
April 2019	0.080	0.080	118,000

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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MONTH	PRICE RANGE		VOLUME OF SHARES TRADED PER MONTH <sup>(3)</sup>
	HIGH (\$) <sup>(1)</sup>	LOW (\$) <sup>(2)</sup>	
May 2019	N.A	N.A	–
June 2019	N.A	N.A	–
July 2019	0.080	0.055	276,500
August 2019	0.065	0.061	439,700
September 2019 to Latest Practicable Date	0.065	0.060	395,100

Source: Bloomberg L.P

Note: Bloomberg L.P has not consented to the inclusion of the information above which is publically available, and is thereby not liable for such information under Sections 253 and 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of such information. The Company is not aware of any disclaimers made by Bloomberg Finance L.P in relation to these quotes.

**Notes:**

- (1) Based on the highest market price for the Shares in a particular month/period.
  - (2) Based on the lowest market price for the Shares in a particular month/period.
  - (3) Based on the total volume of the Shares traded in a particular month/period.
- (b) Not applicable. The Shares have been listed for quotation on the Catalist for more than twelve (12) months immediately preceding the Latest Practicable Date.
  - (c) The Shares were transferred from the Main Board of the SGX-ST to the Catalist on 4 May 2016. There has been no trading suspension of the Shares on Catalist from 4 May 2016 to the Latest Practicable Date.
  - (d) Please refer to paragraph 4(a) of this Section for the volume of Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 September 2019 to the Latest Practicable Date. Based on the information set out therein, the Shares are regularly traded on the Catalist.

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**5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –**

- (a) **a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and**

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.

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The Rights Shares and the Warrant Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of allotment and issue of the Rights Shares or the Warrant Shares (as the case may be).

The Warrants to be issued under the Rights cum Warrants Issue are not identical to any securities already issued by the Company.

Please refer to Appendix E of this Offer Information Statement and the Deed Poll for information on the rights, preferences and restrictions attached to the Warrants.

The Rights Shares with Warrants, Warrants and Warrant Shares are to be issued pursuant to the authority granted to the Directors pursuant to the specific approval obtained from Shareholders at the EGM convened for, *inter alia*, the undertaking of the Rights cum Warrants Issue of the Company held on 2 August 2019.

The issue of the Rights Shares with Warrants, the Warrants and the Warrant Shares have also been authorised by resolutions of the Board of Directors passed on 14 August 2019.

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### Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts 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.

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### Basis of Provisional Allotment

The Rights cum Warrants Issue is made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share and one (1) Warrant for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Based on the issued share capital of the Company of 244,770,900 as of the Latest Practicable Date, the Company is proposing to issue up to 63,850,725 Rights Shares with Warrants at the Issue Price of S\$0.065 for each Rights Share, and up to 63,850,725 Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at S\$0.200.

The Rights Cum Warrants Issue is not underwritten by any financial institution. However, the Company has obtained Irrevocable Undertakings from Undertaking Shareholders in respect of their entitlements of Rights Shares with Warrants.

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## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

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### Entitled Shareholders

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders will be at liberty to accept, decline, renounce or trade, in whole or in part, their provisional allotments of Rights Shares with Warrants and will be eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue. Entitled Shareholders will also be able to trade on the SGX-ST, during the provisional allotments trading period prescribed by the SGX-ST, their provisional allotments of Rights Shares with Warrants. Provisional allotments which are not taken up for any reason shall 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 in the interests of the Company.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares with Warrants that are not validly taken up by Entitled Shareholders or Purchaser(s), any unsold "nil-paid" provisional allotments of Rights Shares with Warrants of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in the Offer Information Statement, the PAL, the ARE, the ARS, and (if applicable) the Constitution of the Company, be aggregated and used to satisfy excess Rights Shares with Warrants 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. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers) shall be entitled to apply for additional Rights Shares with Warrants in excess of their provisional allotments.

In the allotment of any excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.

### Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the section entitled "**Eligibility of Shareholders to Participate in the Rights cum Warrants Issue**" on pages 35 to 37 of this Offer Information Statement for further details.

The Rights Shares with Warrants will not be offered through the selling efforts of any broker or dealer.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.

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Not applicable as the Rights cum Warrants Issue is not underwritten. In view of the Irrevocable Undertakings by the Undertaking Shareholders, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

**PART VII (ADDITIONAL INFORMATION)**

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**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.

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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

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 or her 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.

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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. The information mentioned 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 33(2) applies.

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Noted.



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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**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 or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.

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Hong Leong Finance Limited, the Manager to the Rights cum Warrants Issue, has given, and has not before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager to the Rights cum Warrants Issue.

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**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 or securities-based derivatives contracts in the relevant entity.

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Save as disclosed in this Offer Information Statement, the Directors are not aware of any other material facts relating to the Rights cum Warrants Issue 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 Company.
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**PART VIII (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES)**

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Not applicable.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**PART IX (ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES)**

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Not applicable.

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

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**1. Provide –**

**(a) the particulars of the Rights cum Warrants Issue;**

Please refer to the section entitled “**Summary of the Rights cum Warrants Issue**” on pages 21 to 32 of this Offer Information Statement for the particulars of the Rights cum Warrants Issue.

**(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the Rights cum Warrants Issue;**

30 September 2019 at 5.00 p.m.

**(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the Rights cum Warrants Issue;**

4 October 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Bank).

**(d) the last day and time for renunciation of and payment by the Renounee for the securities to be issued pursuant to the Rights cum Warrants Issue;**

4 October 2019 at 5.00 p.m.

**(e) the terms and conditions of the offer of securities to be issued pursuant to the Rights cum Warrants Issue;**

The allotment and issue of the Rights Shares with Warrants pursuant to the Rights cum Warrants Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular Appendices A, B and C to this Offer Information Statement, the PAL, the ARE and the ARS.

**(f) the particulars of any undertaking from 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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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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As at the Books Closure Date, Mr. Ow Chin Seng and Mdm. Low Kheng (the Undertaking Shareholders) held 74,362,958 and 8,274,924 Shares respectively, representing approximately 30.38% and 3.38% of the total number of issued Shares.

Accordingly, the Undertaking Shareholders will be entitled to subscribe up to 20,659,470 Rights Shares with 20,659,470 Warrants (the OCS Rights Shares) (assuming none of the exercisable share options under the ESOS 2013 are exercised before the Books Closure Date).

To demonstrate their commitment to the Company and their support for the Rights cum Warrants Issue, the Undertaking Shareholders, had by the Irrevocable Undertakings, irrevocably undertaken, *inter alia*, to:–

- (a) subscribe and pay for the OCS Rights Shares (assuming that the Undertaking Shareholders do not exercise any of their exercisable Share options under the ESOS 2013 before the Books Closure Date);
- (b) not sell, transfer or otherwise dispose of any of the existing Shares held by themselves or parties acting in concert with them until the Rights cum Warrants Issue is completed; and
- (c) procure confirmations from relevant financial institutions that they have sufficient financial resources to fulfil their obligations under their respective Irrevocable Undertakings.

The Irrevocable Undertakings shall expire and shall be of no effect if the Rights cum Warrants Issue is not completed.

The Irrevocable Undertakings are subject to and conditional upon the following:–

- (a) the Whitewash Waiver not having been withdrawn or revoked as at the date of completion of the Rights cum Warrants Issue; and
- (b) the approval of the Independent Shareholders for the Whitewash Resolution at the EGM.

The subscription of the OCS Rights Shares shall be settled by way of cash.

The Undertaking Shareholders have obtained confirmation from HLF that they have the necessary financial resources to irrevocably fulfil their obligations pursuant to the Irrevocable Undertakings.

**(g) if the Rights Issue cum Warrants is or will not be underwritten, the reason for not underwriting the issue.**

The Rights cum Warrants Issue will not be underwritten in view of the Irrevocable Undertakings.

As the Rights cum Warrants Issue is not underwritten, there is no assurance that the Rights cum Warrants Issue will be fully subscribed. Shareholders are advised to carefully evaluate their individual investment positions and if they are uncertain as to the same, to consult their own financial or other adviser.

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**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018**

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**PART XI (ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION STATEMENT FOR PURPOSES OF SECTION 277(1AC)(A)(I) OF ACT)**

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Not applicable.

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

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### 1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

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The working capital of the Group as at 31 December 2016, 31 December 2017, 31 December 2018 and 30 June 2019 are as follows.

	<b>Audited As at 31 December 2016<sup>(1)</sup></b>	<b>Audited As at 31 December 2017<sup>(2)</sup></b>	<b>Audited As at 31 December 2018<sup>(3)</sup></b>	<b>Unaudited As at 30 June 2019<sup>(4)</sup></b>
<b>S\$'000</b>				
Total current assets	44,723	41,184	42,430	42,588
Total current liabilities	23,650	26,524	28,197	29,274
<b>Working capital</b>	<b>21,073</b>	<b>14,660</b>	<b>14,233</b>	<b>13,314</b>

**Notes:**

- (1) The financial information in this column has been extracted from the audited consolidated financial statements of the Group for FY2016.
- (2) The financial information in this column has been extracted from the audited consolidated financial statements of the Group for FY2017.
- (3) The financial information in this column has been extracted from the audited consolidated financial statements of the Group for FY2018.
- (4) The financial information in this column has been extracted from the unaudited consolidated financial statements of the Group for HY2019.

### **Review of Working Capital**

#### **30 June 2019 compared with 31 December 2018**

The Group maintained a healthy and positive working capital as compared with 31 December 2018 of S\$13.31 million or current ratio of 1.45 times with current assets of S\$42.59 million and current liabilities of S\$29.27 million as at 30 June 2019.

#### **31 December 2018 compared with 31 December 2017**

The Group maintained a healthy and positive working capital as compared with 31 December 2017 of S\$14.23 million or current ratio of 1.50 times with current assets of S\$42.43 million and current liabilities of S\$26.52 million as at 31 December 2018.

#### **31 December 2017 compared with 31 December 2016**

The Group continued to maintain a healthy and positive working capital as compared with 31 December 2016 of S\$14.66 million or current ratio of 1.55 times with current assets of S\$41.18 million and current liabilities of S\$26.52 million as at 31 December 2017.

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

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### 2. Convertible Securities

- (i) Where the Rights Issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, 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.

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- (i) The information required in Rule 832 of the Listing Manual has been set out in the section entitled “**Summary of the Rights cum Warrants Issue**” on pages 21 to 32 of this Offer Information Statement, and Parts IV, V and X of this Offer Information Statement.
  - (ii) Not applicable. The Rights cum Warrants Issue is not underwritten.

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### 3. **A statement by the Manager and the Sponsor that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the Manager and the Sponsor are not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.**

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Hong Leong Finance Limited, the Manager and Sponsor, confirms that, to the best of its knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts relating to the Rights cum Warrants Issue, the Company and its subsidiaries and that it is not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading.

No profit forecast is contained in this Offer Information Statement.

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

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### 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, or where a Member Company is making an application in respect of a Broker-linked Balance linked to the Member Company, be taken to include an application made via the SGX-SFG Service. **Electronic Applications through ATMs of banks other than the Participating Bank will not be accepted.**

1.2 The provisional allotments of Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares with Warrants provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). If an Entitled Depositor has Broker-linked Balance(s) and there are Rights Shares with Warrants provisionally allotted to the Entitled Depositor in the Broker-linked Balance, a separate ARE will be issued for the number of Rights Shares with Warrants provisionally allotted to the Entitled Depositor in each such Broker-linked Balance.

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares with Warrants as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares with Warrants in full or in part and are eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Rights Issue, save as provided in paragraph 5.7 of this Appendix A. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares with Warrants and payment for excess Rights Shares with Warrants are set out in the Offer Information Statement as well as the ARE.

Entitled Depositors should note that any provisional allotments of Rights Shares with Warrants in a Broker-linked Balance which are accepted and (if applicable) any excess Rights Shares with Warrants credited pursuant to applications for excess Rights Shares with Warrants in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares with Warrants, he may do so by way of an Electronic Application (other than acceptances of and, if applicable, excess applications for Rights Shares with Warrants for an Entitled Depositor's Broker-linked Balance which may not be by way of an Electronic Application through an ATM) 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 with Warrants and (if applicable) application for excess Rights Shares with Warrants may be rejected.

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

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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 or Broker-linked Balance of your Securities Account (if applicable) is not credited with, or is credited with less than the relevant number of Rights Shares with Warrants 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 the 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 WITH WARRANTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES WITH WARRANTS EITHER THROUGH CDP AND/OR (OTHER THAN FOR PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS IN AN ENTITLED DEPOSITOR’S BROKER-LINKED BALANCE) BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, OR WHERE A MEMBER COMPANY MAKES AN APPLICATION IN RESPECT OF A BROKER-LINKED BALANCE LINKED TO THE MEMBER COMPANY, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG 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 with Warrants and/or excess Rights Shares with Warrants 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 with Warrants and/or excess Rights Shares with Warrants 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.

The Company and CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants, and where applicable, application for excess Rights Shares with Warrants in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder or a Member Company in respect of a Broker-linked Balance linked to the Member Company, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder or (if applicable) by the Member Company in respect of a Broker-linked Balance in the Entitled Depositor’s Securities Account linked to the Member Company. 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 with Warrants.



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

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- 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.
- 1.5 An Entitled Depositor with provisional allotment of Rights Shares with Warrants in a Broker-linked Balance should note that the Member Company linked to the Broker-linked Balance may exercise the provisional allotment of Rights Shares with Warrants held in the Broker-linked Balance and apply for excess Rights Shares with Warrants for such Broker-linked Balance. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the exercise of Rights Shares with Warrants held in a Broker-linked Balance and whether the Entitled Depositor has authorised the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.
- 1.6 Details on the acceptance for provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants (other than in respect of Broker-linked Balances) are set out in paragraphs 2 to 4 of this Appendix A.

Details on the acceptance for provisional allotment of Rights Shares with Warrants in an Entitled Depositor's Broker-linked Balance and application for excess Rights Shares with Warrants for a Broker-linked Balance are set out in paragraphs 5 to 7 of this Appendix A.

## 2. MODE OF ACCEPTANCE AND APPLICATION (OTHER THAN FOR BROKER-LINKED BALANCES)

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

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

**IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE 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 WITH WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES WITH WARRANTS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF THE 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.**

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

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### 2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants 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 with Warrants provisionally allotted to him which he wishes to accept and the number of excess Rights Shares with Warrants 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 with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for:
  - (i) by hand to **ANNAIK LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
  - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **ANNAIK LIMITED 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 4 October 2019** (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 with Warrants accepted and (if applicable) excess Rights Shares with Warrants 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 – ANNAIK 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: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO 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-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants through the SGX-SFG 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, signed and submitted to CDP.

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

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### 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 with Warrants accepted by the Entitled Depositor and (if applicable) the excess Rights Shares with Warrants applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 8.2 of this Appendix A 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 with Warrants in relation to the Rights Issue.

### 2.5 Acceptance of Part of Provisional Allotments of Rights Shares with Warrants and Trading of Provisional Allotments of Rights Shares with Warrants

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

- (a) Complete and sign the ARE for the number of Rights Shares with Warrants 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 with Warrants 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 with Warrants may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares with Warrants, 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 with Warrants 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 with Warrants

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares with Warrants ("**Purchasers**") as arrangements will be made by CDP for a 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

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

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which their acceptances of the provisional allotments of Rights Shares with Warrants 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 4 October 2019** (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 with Warrants. You 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 with Warrants 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 WITH WARRANTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES WITH WARRANTS REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES WITH WARRANTS ON THEIR BEHALF.**

### 2.7 Renunciation of Provisional Allotments of Rights Shares with Warrants

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares with Warrants 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 with Warrants 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 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 with Warrants. The last time and date for acceptance of the provisional allotments of Rights Shares with Warrants and payment for the Rights Shares with Warrants by the renounee is **5.00 p.m. on 4 October 2019** (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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## APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

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### 3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares with Warrants by way of the ARE and/or the ARS and/or has applied for excess Rights Shares with Warrants 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 with Warrants provisionally allotted to him and/or application for excess Rights Shares with Warrants (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

As an illustration, if an Entitled Depositor has 2,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Shareholder will be provisionally allotted 500 Rights Shares with Warrants 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 summarized below:

#### Alternatives

#### Procedures to be taken

- |  |   |
|--|---|
| (a) Accept his entire provisional allotment of 500 Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants. | (i) Accept his entire provisional allotment of 500 Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants by way of Electronic Application through an ATM of the Participating Bank as described herein not later than <b>9.30 p.m. on 4 October 2019</b> (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 |
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## APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

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### Alternatives

### Procedures to be taken

- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the full provisional allotment of 500 Rights Shares with Warrants and (if applicable) the number of excess Rights Shares with Warrants applied for and forward the ARE together with a single remittance for S\$32.50 (or, if applicable, such higher amount in respect of the total number of Rights Shares with Warrants accepted and excess Rights Shares with Warrants 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 – ANNAIK 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 **ANNAIK LIMITED 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 his own risk, to **ANNAIK LIMITED 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 4 October 2019** (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 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 FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

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

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### Alternatives

(b) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example, accept his entitlement to 200 provisionally allotted Rights Shares with Warrants and reject the balance.

### Procedures to be taken

(i) Accept the provisional allotment of 200 Rights Shares with Warrants by way of Electronic Application through an ATM of the Participating Bank as described herein not later than **9.30 p.m. on 4 October 2019** (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

(ii) Complete and sign the ARE in accordance with the instructions contained therein for the provisional allotment of 200 Rights Shares with Warrants and forward the ARE together with a single remittance for S\$13.00 in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 balance of the provisional allotment of 300 Rights Shares with Warrants which is not accepted by the Entitled Depositor will be deemed to have been declined and will forthwith lapse and become void and will cease to be capable of acceptance by that Entitled Shareholder if an acceptance is not made through an ATM of the Participating Bank by **9.30 p.m. on 4 October 2019** (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 if an acceptance is not made through CDP by **5.00 p.m. on 4 October 2019** (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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## APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

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### Alternatives

(c) Accept a portion of his provisional allotment of Rights Shares, for example, his entitlement to 200 provisionally allotted Rights Shares with Warrants and trade the balance on The SGX-ST.

### Procedures to be taken

(i) Accept the provisional allotment of 200 Rights Shares with Warrants by way of Electronic Application through an ATM of the Participating Bank as described herein not later than **9.30 p.m. on 4 October 2019** (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

(ii) Complete and sign the ARE in accordance with the instructions contained therein for the provisional allotment of 200 Rights Shares with Warrants and forward the ARE together with a single remittance for S\$13.00 in the prescribed manner described in alternative (a)(ii) above to CDP, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 balance of the provisional allotment of 300 Rights Shares with Warrants may be traded on the SGX-ST during the provisional allotments trading period. **Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradeable in board lots, each board lot comprising provisional allotments of 100 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period.** Such Entitled Depositors may start trading in their provisional allotments of Rights Shares with Warrants as soon as dealings therein commence on the SGX-ST.



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

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### 5. MODE OF ACCEPTANCE AND APPLICATION (FOR BROKER-LINKED BALANCES)

#### 5.1 Acceptance/Application through CDP

**The Entitled Depositor should note that any provisional allotments of Rights Shares with Warrants accepted and (if applicable) any excess Rights Shares with Warrants credited pursuant to applications for excess Rights Shares with Warrants made through an ARE in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.**

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares with Warrants in a Broker-linked Balance and (if applicable) apply for excess Rights Shares with Warrants for his Broker-linked Balance through CDP, he must:

- (a) complete and sign the ARE in respect of the Rights Shares with Warrants provisionally allotted in the Broker-linked Balance. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares with Warrants provisionally allotted to him which he wishes to accept and the number of excess Rights Shares with Warrants 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 with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for:
  - (i) by hand to **ANNAIK LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588;**
  - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **ANNAIK LIMITED 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 4 October 2019** (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 with Warrants accepted and (if applicable) excess Rights Shares with Warrants 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 – ANNAIK RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS**

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**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO 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.**

### **5.2 Acceptance through the SGX-SFG Service (only for Member Companies making an application in respect of a Broker-linked Balance linked to the Member Company)**

Member Companies may accept the provisional allotment of Rights Shares with Warrants in a Broker-linked Balance linked to the Member Company and (if applicable) apply for Excess Rights Shares with Warrants for a Broker-linked Balance linked to the Member Company through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents and Member Companies. 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.

### **5.3 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 with Warrants accepted by the Entitled Depositor and (if applicable) the excess Rights Shares with Warrants applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 8.2 of this Appendix A 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 with Warrants in relation to the Rights Issue.

### **5.4 Acceptance of Part of Provisional Allotments of Rights Shares with Warrants and Trading of Provisional Allotments of Rights Shares with Warrants**

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares with Warrants specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares with Warrants and trade the balance of his provisional allotment of Rights Shares with Warrants on the SGX-ST, he should complete and sign the ARE for the number of Rights Shares with Warrants 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 5.1 above to CDP.

The balance of his provisional allotment of Rights Shares with Warrants in a Broker-linked Balance may be sold as soon as dealings therein commence on the SGX-ST.

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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS**

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Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. 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.

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares with Warrants (“**Purchasers**”) as arrangements will be made by CDP for separate ARS to be issued to the Purchasers.

### **5.5 Trading of Provisional Allotments of Rights Shares with Warrants by Member Company**

A Member Company may trade all or part of the provisional allotment of Rights Shares with Warrants in a Broker-linked Balance linked to the Member Company as soon as dealings therein commence on the SGX-ST. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the sale of provisional allotments of Rights Shares with Warrants by the Member Company and whether the Entitled Depositor has authorised sale of the provisional allotment of Rights Shares with Warrants by the Member Company.

### **5.6 Renunciation of Provisional Allotments of Rights Shares with Warrants**

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares with Warrants in a Broker-linked Balance in favour of a third party should obtain the approval of the Member Company linked to the Broker-linked Balance for the transfer of such provisional allotments of Rights Shares with Warrants out of the Broker-linked Balance to the main balance of his Securities Account for such renunciation. An Entitled Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the Broker-linked Balance. The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such provisional allotments of Rights Shares with Warrants from the Broker-linked Balance to the main balance of the Entitled Depositor’s securities account.

Upon the transfer of the provisional allotments of Rights Shares with Warrants which the Entitled Depositor wishes to renounce from the Broker-linked Balance to the main balance of the Entitled Depositor’s securities account, the Entitled Depositor 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 with Warrants which they wish to renounce, and CDP shall only process the transfer forms for such renunciation only after such provisional allotments of Rights Shares with Warrants are credited to the main balance of the Entitled Depositor’s securities account. 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 3 Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time

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

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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 with Warrants. The last time and date for acceptance of the provisional allotments of Rights Shares with Warrants and payment for the Rights Shares with Warrants by the renounee is **5.00 p.m. on 4 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

### 5.7 Transfers of Provisional Allotments of Rights Shares with Warrants from a Broker-linked Balance of the Entitled Depositor's Securities Account

Entitled Depositors who wish to transfer their provisional allotments of Rights Shares with Warrants in a Broker-linked Balance to the main balance or another Broker-linked Balance of the Entitled Depositor's Securities Account should obtain the approval of the Member Company linked to the originating Broker-linked Balance for the transfer of such provisional allotments of Rights Shares with Warrants out of the Broker-linked Balance. An Entitled Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the originating Broker-linked Balance (for transfer to the main balance of the Entitled Depositor's Securities Account only). The Member Company should through the established communication channels between the Member Company and CDP directly communicate its approval to CDP, or initiate the transfer of such provisional allotments of Rights Shares with Warrants from the Broker-linked Balance to the main balance of the Entitled Depositor's securities account.

Upon the transfer of the provisional allotments of Rights Shares with Warrants to the main balance or another Broker-linked Balance of the Securities Account, arrangements will be made by CDP for a separate ARS to be issued to the Entitled Depositor in respect of the provisional allotments of Rights Shares with Warrants transferred to the main balance or another Broker-linked Balance of his Securities Account. As the Member Company may take up to the next Market Day to communicate its approval and effect the transfer, an Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares with Warrants from a Broker-linked Balance of his Securities Account is 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 Entitled Depositor by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the Entitled Depositor to accept his provisional allotments of Rights Shares with Warrants. The last time and date for acceptance of the provisional allotments of Rights Shares with Warrants and payment for the Rights Shares with Warrants by the Entitled Depositor is **5.00 p.m. on 4 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Alternatively, the Entitled Depositor may accept and subscribe for provisional allotments of Rights Shares with Warrants in the main balance of his Securities Account by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above. Entitled Depositors who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP, for the period up to **5.00 p.m. on 4 October 2019** (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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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS**

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**An Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares with Warrants which were provisionally allotted to a Broker-linked Balance of his Securities Account should note that he will not be entitled to apply for excess Rights Shares with Warrants in connection with his acceptance of such provisional allotments of Rights Shares with Warrants which have been transferred out of the originating Broker-linked Balance.**

### **6. ACCEPTANCES AND APPLICATIONS BY BOTH AN ENTITLED DEPOSITOR AND THE MEMBER COMPANY LINKED TO THE BROKER-LINKED BALANCE**

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares with Warrants in a Broker-linked Balance by way of the ARE and/or the ARS and/or has applied for excess Rights Shares with Warrants by way of the ARE, and the Member Company linked to such Broker-linked Balance also accepts any provisional allotment of Rights Shares with Warrants in the Broker-linked Balance and/or applies for excess Rights Shares with Warrants in respect of the Broker-linked Balance, the Company and/or CDP shall be authorised and entitled to accept his and his Member Company's 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 and the Member Company 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 with Warrants provisionally allotted to him and/or application for excess Rights Shares with Warrants whether made by him or the Member Company linked to the Broker-linked Balance in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

### **7. ILLUSTRATIVE EXAMPLES FOR RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED TO A BROKER-LINKED BALANCE (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE WITH WARRANTS FOR EVERY ONE (4) EXISTING ORDINARY SHARE AT AN ISSUE PRICE OF S\$0.065)**

As an illustration, if an Entitled Depositor has 2,000 Shares standing to the credit of a Broker-linked Balance of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 500 Rights Shares with Warrants in his Broker-linked Balance 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:

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

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Alternatives	Procedures to be taken
(a) Accept his entire provisional allotment of 500 Rights Shares with Warrants in the Broker-linked Balance and (if applicable) apply for excess Rights Shares with Warrants for the Broker-linked Balance.	(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 500 Rights Shares with Warrants in the Broker-linked Balance and (if applicable) the number of excess Rights Shares with Warrants applied for the Broker-linked Balance and forward the original signed ARE together with a single remittance for S\$32.50 (or, if applicable, such higher amount in respect of the total number of Rights Shares with Warrants accepted and excess Rights Shares with Warrants 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 " <b>CDP – ANNAIK RIGHTS ISSUE ACCOUNT</b> " and crossed " <b>NOT NEGOTIABLE, A/C PAYEE ONLY</b> " for the full amount due on acceptance and (if applicable) application, by hand to <b>ANNAIK LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588</b> or by post, at his own risk, in the self-addressed envelope provided to <b>ANNAIK LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147</b> so as to arrive not later than <b>5.00 p.m. on 4 October 2019</b> (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 with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.



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

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### Alternatives

### Procedures to be taken

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO 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.**

(b) Accept a portion of his provisional allotment of Rights Shares with Warrants in the Broker-linked Balance, for example 200 provisionally allotted Rights Shares with Warrants, not apply for excess Rights Shares with Warrants and trade the balance on the SGX-ST.

(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 200 Rights Shares with Warrants in the Broker-linked Balance, and forward the original signed ARE, together with a single remittance for S\$13.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 balance of the provisional allotment of 300 Rights Shares with Warrants 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 with Warrants would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares with Warrants or any other board lot size which the SGX-ST may require.

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

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Alternatives	Procedures to be taken
(c) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example 200 provisionally allotted Rights Shares with Warrants, and reject the balance.	(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 200 Rights Shares with Warrants in the Broker-linked Balance and forward the original signed ARE, together with a single remittance for S\$13.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than <b>5.00 p.m. on 4 October 2019</b> (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 balance of the provisional allotment of 300 Rights Shares with Warrants 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 CDP by <b>5.00 p.m. on 4 October 2019</b> .

### 8. TIMING AND OTHER IMPORTANT INFORMATION

#### 8.1 Timing

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

- (A) **9.30 P.M. ON 4 OCTOBER 2019 (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 WITH WARRANTS IS MADE THROUGH AN ATM OF THE PARTICIPATING BANK.**
- (B) **5.00 P.M. ON 4 OCTOBER 2019 (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 WITH WARRANTS IS MADE THROUGH CDP OR SGX-SFG SERVICE; AND**

If acceptance and payment for the Rights Shares with Warrants 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 the Participating Bank by **9.30 p.m. on 4 October 2019** (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 4 October 2019** (or



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## **APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS**

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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 or Member Company (in respect of a Broker-linked Balance), the provisional allotments of Rights Shares with Warrants 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.**

### **8.2 Appropriation**

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

- (a) by accepting his provisional allotment of Rights Shares with Warrants and/or applying for excess Right Shares with Warrants, he acknowledges that, in the case where:
  - (i) the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares with Warrants as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares with Warrants 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 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 with Warrants in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Shares with Warrants. 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 with Warrants 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 with Warrants and (if applicable) his application for excess Rights Shares with Warrants, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares with Warrants in relation to the Rights Issue made through CDP; and

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

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- (c) in the event that the Entitled Depositor accepts the Rights Shares with Warrants provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Rights Shares with Warrants 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 with Warrants (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

### 8.3 Availability of Excess Rights Shares with Warrants

The excess Rights Shares with Warrants available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares with Warrants will, at the Directors' absolute discretion, be satisfied from such Rights Shares with Warrants 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 with Warrants together with the aggregated fractional entitlements to the Rights Shares with Warrants, any unsold "nil-paid" provisional allotment of Rights Shares with Warrants (if any) of Foreign Shareholders and any Rights Shares with Warrants 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 with Warrants than are available, the excess Rights Shares with Warrants 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 with Warrants, 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 with Warrants, in whole or in part, without assigning any reason whatsoever. In the event that the number of excess Rights Shares with Warrants allotted to an Entitled Depositor is less than the number of excess Rights Shares with Warrants applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Rights Shares with Warrants actually allotted to him.

If no excess Rights Shares with Warrants are allotted or if the number of excess Rights Shares with Warrants 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 or Member Companies (in respect of applications for Rights Shares with Warrants made by Member Companies for Broker-linked Balances), 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 with Warrants, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Rights Shares with Warrants by way of an Electronic Application through an ATM of the Participating Bank), the receipt by such banks being a good discharge to the 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 with Warrants through CDP).

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

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### 8.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares with Warrants is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of the Participating Bank and payment of the full amount payable for such Rights Shares with Warrants is effected by **9.30 p.m. on 4 October 2019** (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 with Warrants accepted and (if applicable) excess Rights Shares with Warrants 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 – ANNAIK 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 **ANNAIK LIMITED 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 **ANNAIK LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 4 October 2019** (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 or a Member Company in respect of a Broker-linked Balance linked to the Member Company via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) or Member Company/(s) for the Rights Shares with Warrants is effected by **5.00 p.m. on 4 October 2019** (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 with Warrants 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 or the Member Company (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 PURCHASERS' OR MEMBER COMPANY'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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## APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

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### 8.5 Certificates

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

### 8.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares with Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares with Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares with Warrants 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 in its originality. 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 WITH WARRANTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS 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.

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**.

All communications, notices, documents and remittances to be delivered or sent to the Entitled Depositors or the Purchasers will be sent by **ORDINARY POST** to their respective mailing addresses in Singapore as maintained in the records of CDP, and **AT THEIR OWN RISK**.

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

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### 9. 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, 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 with Warrants, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (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.

### 10. PROCEDURE TO COMPLETE THE ARE/ARS

#### 10.1 Know your Holdings and Entitlement

##### **A. KNOW YOUR HOLDINGS & ENTITLEMENT**

Number of Shares  
currently held by you

XX,XXX

This is your  
shareholdings as at  
Record Date.

Shares as at  
XX January 2015  
(Record Date)

This is the date to  
determine your rights  
entitlements.

Number of Rights  
Shares provisionally  
allotted\*

XX,XXX

This is your number of  
rights entitlement.

Issue Price

S\$0.0X per Rights Share

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

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

### 10.2 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 the 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:** Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

### 10.3 Declaration

#### **C. DECLARATION**

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

**i. Total Number of Rights Shares Applied:**  
(Provisionally Allotted+Excess Rights Shares)

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**ii. Cashier's Order/Banker's Draft Details:**  
(Input last 6 digits of CO/BD)

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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.

**Notes:**

- (i) If the total number rights shares applied 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.
- (ii) The total number of rights shares applied will be based on 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.
- (iii) Please note to submit one Cashier's Order per application form.

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

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### 10.4 Sample of a Cashier's Order

**CASHIER'S ORDER**

DATE

DD / MM / YY

PAY CDP -  RIGHTS ISSUE ACCOUNT

SINGAPORE DOLLARS **\*\*SEVEN THOUSAND SIX HUNDRED ONLY\*\***

OR ORDER

**S\$ 7,600.00**

BANK REF. : 0105085000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

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## APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK

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

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his Renounee or the Purchaser of the provisional allotment who accepts the provisional allotment of Rights Shares with Warrants or (as the case may be) who applies for the excess Rights Shares with Warrants through an ATM of the Participating Bank. An Applicant must have an existing bank account with and be an ATM cardholder of the Participating Bank before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Bank are set out on the ATM screens of the relevant Participating Bank. 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 the 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) application liable to be rejected.**

**For SRS Investors, investors who hold Shares through finance companies or Depository Agents and CPFIS Investors, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants must be done through the relevant SRS Approved Banks in which they hold their SRS accounts, their respective finance companies or Depository Agents and their CPF agent banks, respectively. Such investors are advised to provide their respective SRS Approved Banks in which they hold their SRS accounts, finance companies or Depository Agents, or CPF agent banks, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications, the Share Registrar and/or the Company 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 with Warrants represented by the provisional allotment of Rights Shares with Warrants purchased must be done through the respective finance companies or Depository Agents. Such Renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares with Warrants by such Renounees and Purchasers made directly through CDP, the Share Registrar and/or the Company, or by way of Electronic Applications, will be rejected.**



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## APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK

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The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:–

- (1) In connection with his Electronic Application for the Rights Shares with Warrants, 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 Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares with Warrants under the Rights cum Warrants Issue and this Offer Information Statement 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, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, CDP, the CPF Board, the SGX-ST and the Company and any other relevant parties (the “Relevant Parties”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) excess application.**

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 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 through an ATM of the Participating Bank 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.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares with Warrants provisionally allotted and excess Rights Shares with Warrants 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 Accounts as at the Closing Date. In the event that the Company decides to allot any lesser number of excess Rights Shares with Warrants or not to allot any number of excess Rights Shares with Warrants to the Applicant, the Applicant agrees to accept the decision as final.
- (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 with Warrants accepted and/or excess Rights Shares with Warrants applied for shall signify and shall be treated as his acceptance of the number of Rights Shares with Warrants accepted and/or excess Rights Shares with Warrants applied for that may be allotted to him.

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## **APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK**

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- (5) In the event that CDP receives instructions to accept the Rights Shares with Warrants and (if applicable) instructions to apply for excess Rights Shares with Warrants together with payment therefor both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares with Warrants 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 aggregate number of provisionally allotted Rights Shares with Warrants which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of the Participating Bank, and the number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares with Warrants for 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 the Rights Shares with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is deemed to have authorised 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 with Warrants both by way of ARE and by Electronic Application through an ATM of the Participating Bank, 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 absolute discretion, deem fit. In determining the number of excess Rights Shares with Warrants 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 with Warrants not exceeding the aggregate number of excess Rights Shares with Warrants for which he has applied by way of the ARE, whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares with Warrants 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 for the excess Rights Shares with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.
- (7) The Applicant irrevocably requests and authorises the Company to:–
- (a) register, or to procure the registration of the Rights Shares with Warrants and (if applicable) the excess Rights Shares with Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;

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## APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK

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- (b) return (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 with Warrants not be accepted and/or excess Rights Shares with Warrants 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 14 days after the Closing Date; and
  - (c) return (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 with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 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 WITH WARRANTS AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the CPF Board, the Manager, the Share Registrar, the Receiving Bank and/or the Participating Bank) and any other events whatsoever beyond the control of the Company, CDP, the CPF Board, the Manager, the Share Registrar, the Receiving Bank and/or the Participating Bank and if, in any such event, the Company, CDP, the CPF Board, the Manager, the Share Registrar, the Receiving Bank and/or the Participating Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 4 October 2019**, 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 the Company, CDP, the CPF Board, the Manager, the Share Registrar, the Receiving Bank and/or the Participating Bank in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made through an ATM of the Participating Bank from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m. (excluding public holidays).**
- (11) Electronic Applications shall close at **9.30 p.m. on 4 October 2019** (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 made through the ATMs of the Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank will be rejected.

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## APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK

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- (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 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 the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Rights cum Warrants Issue at **9.30 p.m. on 4 October 2019** or such other time or date as the Company may, in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:-
- (a) his Electronic Application is irrevocable (whether or not any supplementary or replacement document is lodged with the Authority);
  - (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, the Receiving Bank and 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 above or to any cause beyond their respective control;
  - (d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) application for excess Rights Shares with Warrants;
  - (e) in respect of the Rights Shares with Warrants and/or excess Rights Shares with Warrants 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 Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/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 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.

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## **APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK**

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- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank 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 last registered with 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 and by way of Electronic Application through any ATM of the Participating Bank, the provisionally allotted 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 14 days after the Closing Date by any one or a combination of the following:–
- (a) by means of a crossed cheque drawn on a bank in Singapore and sent BY ORDINARY POST at his own risk to his mailing address, as recorded with 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; or
  - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of the Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants 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 with Warrants represented by the provisional allotment of Rights Shares with Warrants which the Applicant has validly accepted, whether under the ARE and/or any other application form (including Electronic Application through an ATM) for the Rights Shares with Warrants;
  - (b) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants 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 with Warrants represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

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

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## **APPENDIX B – TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF THE PARTICIPATING BANK**

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- (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 with Warrants accepted by the Applicant and (if applicable) the excess Rights Shares with Warrants which the Applicant has applied for.
- (21) Where an acceptance and/or application does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for the Rights Shares with Warrants and/or excess Rights Shares with Warrants, or is illegible, incomplete, incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance or does not comply with the instructions for Electronic Application, 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 with Warrants subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application and present for payment or other processes all remittances at any time after receipt in such manner as they may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants, and (if applicable), application for excess Rights Shares with Warrants 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 the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.



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

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### 1. INTRODUCTION

- 1.1 Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:–

**Renounceable 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 provisional allotment of the Rights Shares with Warrants and application for excess Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement and the enclosed PAL and (if applicable) the Constitution of the Company. The number of Rights Shares with Warrants provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares with Warrants, in full or in part, and are eligible to apply for Rights Shares with Warrants in excess of their entitlements under the Rights cum Warrants Issue.
- 1.3 Full instructions for the acceptance of and payment for the Rights Shares with Warrants provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments are set out in the PAL.
- 1.4 With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares with Warrants in relation to the Rights cum Warrants Issue or with the terms and conditions of this Offer Information Statement, or in the case of any application by the ARE, the ARS, the PAL, and/or other application form for the Rights Shares with Warrants in relation to the Rights cum Warrants Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as they/it may deem fit.
- 1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares with Warrants, and where applicable, application of excess Rights Shares with Warrants in relation to the Rights cum Warrants 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; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

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

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- 1.6 Entitled Scripholders who intend to trade any part of their provisional allotment of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.
- 1.7 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement 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 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. FORM OF ACCEPTANCE (FORM A)

#### 2.1 Acceptance

Entitled Scripholders who wish to accept their entire provisional allotments of Rights Shares with Warrants or to accept any part of it and decline the balance should:–

- (a) complete and sign Form A of the PAL for the number of Rights Shares with Warrants which they wish to accept; and
- (b) forward **AT THEIR OWN RISK**, by post in the self-addressed envelope provided, the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance in the manner hereinafter prescribed to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 of this Appendix C entitled “Appropriation” which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares with Warrants which the Entitled Scripholder has given instructions to accept.

#### 2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares with Warrants, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares with Warrants 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 Rights Shares with Warrants, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore.



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## **APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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

- 3.1 Entitled Scripholders who wish to accept part of their provisional allotments of Rights Shares with Warrants and renounce the balance, or who wish to renounce all or part of their provisional allotments of Rights Shares with Warrants in favour of more than one person, should first, using Form B of the PAL, request to have their provisional allotments of Rights Shares with Warrants under the PAL split into separate PALs (“**Split Letters**”) according to their requirements. The duly completed Form B together with the PAL in its entirety should be returned, by post in the self-addressed envelope provided, **AT THE SENDER’S OWN RISK**, to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 30 September 2019** (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 the Entitled Scripholders in accordance with their request. No Split Letters will be issued to the Entitled Scripholders if the Form B is received after **5.00 p.m. on 30 September 2019** (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 with Warrants, which Entitled Scripholders intend to renounce, may be renounced by completing the Form C before delivery to the Renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with remittance for the payment in the prescribed manner to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 for the number of provisional allotments of Rights Shares with Warrants which they wish to renounce and deliver the PAL in its entirety to the Renounees.

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

- 4.1 The Renounee(s) should complete and sign Form D and send Form D and forward Form D, together with the PAL in its entirety, duly completed and signed, and a single remittance for the full amount due and payable in the prescribed manner by post **AT HIS OWN RISK**, in the self-addressed envelope provided, to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 4 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 4.2 Each Entitled Scripholder may consolidate the Rights Shares with Warrants provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A of the PAL and the Consolidated Listing Form in Form D of the PAL 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

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

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hereinafter defined) stated on each of them. A Renouncee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares with Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one 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).**

### 5. PAYMENT

5.1 Payment in relation to PAL must be made in Singapore currency in the form of a Banker’s Draft or a Cashier’s Order drawn on a bank in Singapore and made payable to “**ANNAIK LIMITED – RIGHTS ISSUE**” and crossed “**NOT NEGOTIABLE, A/C PAYEE ONLY**” and with the name and address of the Entitled Scripholder or accepting party clearly written in block letters on the reverse side of the remittance. The completed PAL and payment should be addressed and forwarded, at the sender’s own risk, to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 OTHER FORM 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 in the prescribed manner as set out in the PAL is not received by **5.00 p.m. on 4 October 2019** (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 allotments of Rights Shares with Warrants will be deemed to have been declined and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without any interest or any share of revenue or benefit arising therefrom with 14 days from the Closing Date.

### 6. APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS (FORM E)

6.1 Entitled Scripholders who wish to apply for excess Rights Shares with Warrants in addition to those which have been provisionally allotted to them may do so by completing Form E of the PAL and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Rights Shares with Warrants applied for in the form and manner set out above, by post in the self-addressed envelope provided at their own risk, to **ANNAIK LIMITED C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 4 October 2019** (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 OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

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

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- 6.2 Applications for the excess Rights Shares with Warrants by the Entitled Scripholders are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares with Warrants will, at the Directors' absolute discretion, be satisfied from such Rights Shares which 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 with Warrants, together with the aggregated fractional entitlements to the Rights Shares with Warrants, the unsold "nil-paid" provisional allotment of Rights Shares with Warrants (if any) of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for any reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more excess Rights Shares with Warrants than are available, the excess Rights Shares with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to allot the excess Rights Shares with Warrants applied for under Form E in any manner as the Directors may deem fit and to reject or to refuse, in whole or in part, any application for excess Rights Shares with Warrants without assigning any reason whatsoever therefor.
- 6.3 If no excess Rights Shares with Warrants are allotted to the Entitled Scripholders or if the number of excess Rights Shares with Warrants allotted to them is less than that applied for, the amount paid on application for excess Rights Shares with Warrants or the surplus of the application monies for excess Rights Shares with Warrants received by the Company (as the case may be) will be refunded to such Entitled Scripholders by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **BY ORDINARY POST** at their **OWN RISK**.

### 7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.
- 7.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 7.3 Upon listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist, any trading of the Rights Shares, the Warrants and the Warrant Shares on Catalist will be via the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares, the Warrants and the Warrant Shares effected through Catalist and/or CDP shall be in accordance with the CDP's "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 **To facilitate scripless trading, Entitled Scripholders and their Renouncees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants, and who wish to trade the Rights Shares with Warrants 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 Account) in**

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## **APPENDIX C – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS**

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order that the number of Rights Shares with Warrants and, if applicable, the excess Rights Shares with Warrants that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their Renounees who wish to accept the Rights Shares with Warrants and/or apply for excess Rights Shares with Warrants and have their Rights Shares with Warrants credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card (“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 certificates in their names for the Rights Shares with Warrants allotted to them and if applicable, the excess Rights Shares with Warrants allotted to them. Such physical certificates, if issued, will be forwarded to them BY ORDINARY POST AT THEIR OWN RISK, 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.

- 7.5 If an 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 allotment and other correspondence will be sent to his address last registered 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 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 with Warrants or existing Shares, as the case may be, before he can effect the desired trade.
- 7.7 **THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS 5.00 P.M. on 4 OCTOBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**
- 7.8 **Personal Data Privacy**

By completing and delivering the PAL, an Entitled Scripholder or a Renounee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the Purposes, (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.

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## **APPENDIX D – PARTICIPATING BANK**

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The participating bank for electronic applications through an ATM is DBS Bank Ltd. (including POSB).

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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The warrants (the “**Warrants**”) to subscribe for new ordinary shares in the capital of AnnAik Limited (the “**Company**”) are issued in conjunction with the renounceable non-underwritten rights issue of up to 63,850,725 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.065 for each Rights Share (the “**Issue Price**”) with up to 63,850,725 free detachable and transferable Warrants, each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.200 for each Warrant Share, on the basis of one (1) Rights Share and one (1) free Warrant for every four (4) existing ordinary shares in the capital of the Company held by the Shareholders as at the Books Closure Date (as defined below), fractional entitlements to be disregarded (the “**Rights cum Warrants Issue**”).

The Rights cum Warrants Issue is undertaken pursuant to specific Shareholders’ approval granted during the extraordinary general meeting (“**EGM**”) held on 2 August 2019. The issue of the Warrants has also been authorised by resolutions of the board of Directors (the “**Board**”) passed on 14 August 2019. The Warrants are subject to and have the benefit of an instrument (the “**Deed Poll**”) being executed by the Company.

Copies of the Deed Poll are available for inspection at the specified office of the warrant agent referred to in Condition RHT Corporate Advisory Pte. Ltd. (the “**Warrant Agent**”). The holder of the Warrants (the “**Warrant Holders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all provisions of the Deed Poll.

The statements in these Terms and Conditions of the Warrants (the “**Conditions**”) are an extract of the Deed Poll, and are subject to the provisions of the Deed Poll:–

### 1. DEFINITIONS:–

“**Act**” means the Companies Act, Chapter 50 of Singapore, as the same may be modified, amended or supplemented from time to time;

“**Approved Person**” means any licensed financial adviser or certified public accountant (other than the Auditors) in Singapore appointed by the Directors;

“**Auditors**” means the auditors for the time being of the Company and if there shall be joint auditors any one or more of such auditors or in the event they are unable or unwilling to carry out any action required of them pursuant to this Deed Poll, such other firm of accountants as may be nominated or approved by the Company for the same purpose;

“**Business Day**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore, the CDP, the Warrant Agent and the SGX-ST are open for business in Singapore;

“**CDP**” means The Central Depository (Pte) Limited;

“**CPF**” means the Central Provident Fund;

“**CPF Act**” means the Central Provident Fund Act, Chapter 36, as the same may be modified, amended or supplemented from time to time;

“**CPF Approved Bank**” means any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations;



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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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“**CPF Board**” means the board of the CPF established pursuant to the CPF Act;

“**CPF Investment Account**” means an account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn for, *inter alia*, payment of the Exercise Price in connection with the exercise of the Warrants;

“**CPF Regulations**” means the Central Provident Fund (Investment Schemes) Regulations, as the same may be modified, amended or supplemented from time to time;

“**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore;

“**Directors**” means the directors (including alternate directors) for the time being of the Company;

“**Exercise Date**” means, in relation to the exercise of a Warrant, the Business Day on which the applicable conditions referred to in Condition 4.1 are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, provided that if any such day falls within the period where the Register is closed in accordance with Condition 4.7, then the “**Exercise Date**” shall be the following Business Day on which the Register is open;

“**Exercise Notice**” means the exercise notice (for the time being current) to be lodged with the Warrant Agent for the exercise of the Warrants, copies of which may be obtained from the Warrant Agent;

“**Exercise Period**” means the period during which the Warrants may be exercised, commencing on and including the date of the issue of the Warrants and expiring at 5.00 p.m. on the Expiration Date, unless such date is a date on which the Register is closed or is not a Market Day, in which event the period shall end on the Market Day prior to the closure of the Register or the immediate preceding Market Day, as the case may be, but excluding such period(s) during which the Register may be closed in accordance with Condition 4.7;

“**Exercise Price**” means, means the price payable for each new Share duly and validly issued and fully-paid upon the exercise of the Warrants and being as at the date hereof S\$0.20, subject to adjustment in accordance with Condition 5;

“**Expiration Date**” means the date immediately preceding the fifth anniversary of the date of issue of the Warrants;

“**Last Dealt Price**” means in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on the SGX-ST;

“**Market Day**” means a day on which the SGX-ST is open for trading of securities in Singapore;

“**month**” means a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it started provided that if there is no such numerically corresponding day it shall end on the last day of such next calendar month;



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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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“**Register**” means the register of Warrantheolders to be maintained by the Warrant Agent pursuant to Condition 4.7;

“**Register of Members**” means the register of members containing the names and addresses of the members of the Company kept at the registered office of the Company;

“**SGX-ST**” means the Singapore Exchange Securities Trading Limited;

“**Securities Account**” means a securities account maintained by a Warrantheolder with the Depository but does not include a securities sub account maintained with a Depository Agent;

“**Shareholders**” means the registered holders of the Shares except that where the registered holder is CDP, the term “**Shareholders**” shall, in relation to such Shares and where the context so admits, mean the Depositors into whose Securities Accounts those Shares are credited;

“**Special Account**” means the account maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by Warrantheolders who exercise their Warrants towards the satisfaction of the Exercise Price; and

“**Warrantheolder**” means the registered holders of the Warrants, except that where the registered holder is CDP, the term “**Warrantheolders**” shall, in relation to such Warrants registered in the name of CDP and where the context admits, include the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with those Warrants, provided that for the purposes of the Second Schedule of this Deed Poll relating to meetings of Warrantheolders, such Warrantheolders shall mean those persons named as Depositors in the Depository Register maintained by CDP having Warrants credited to their Securities Accounts as shown in the records of CDP as at a time not earlier than 72 hours prior to the time of a meeting of Warrantheolders supplied by CDP to the Company. The word “**holder**” or “**holders**” in relation to the Warrants shall (where appropriate) be construed accordingly.

### 2. FORM AND TITLE

2.1 The Warrants are issued in registered form and the title to the Warrants will be transferable in accordance with Condition 7. The Warrant Agent will keep and maintain the Register for and on behalf of the Company and except as may be ordered by a court of competent jurisdiction or as may be required by law:

2.1.1 the registered holder of Warrants (other than CDP); and

2.1.2 (where the registered holder of Warrants is CDP) each Depositor for the time being appearing in the Depository Register maintained by the CDP as having Warrants credited to its Securities Account(s),

will, in each case, be deemed to be and be treated as the absolute owner thereof (whether or not the Company shall be in default in respect of the Warrants or its covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing hereon or notice of previous loss or theft or forgery of the relevant Warrant or Warrant Certificate or any irregularity or error in the Depository Register or records of CDP or any express notice to the Company or Warrant Agent or any other related matters) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants as the Company deems fit.

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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- 2.2 The executors and administrators of a deceased Warrantholder shall be the only persons recognised by the Company and the Warrant Agent as having title to the Warrants registered in the name of a deceased Warrantholder. Such persons shall, on production to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on the payment of such fees and expenses referred to in Condition 7, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made.
- 2.3 If two (2) or more persons are entered into the Register or, as the case may be, the Depository Register, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the following provisions:
- 2.3.1 the Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or administrators (or trustees) of a deceased Warrantholder;
- 2.3.2 joint holders of any Warrant whose names are entered into the Register or the Depository Register (as the case may be) shall be treated as one (1) Warrantholder;
- 2.3.3 the Company shall not be bound to issue more than one Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register shall be sufficient delivery to all; and
- 2.3.4 the joint holders of any Warrant whose names are entered into the Register or the Depository Register (as the case may be) shall be jointly and severally liable in respect of all payments which ought to be made in respect of such Warrant.

### 3. EXERCISE RIGHTS

- 3.1 Upon and subject to these Conditions, each Warrantholder shall have the right by way of the exercise of each Warrant held by the Warrantholder, at any time during normal business hours on any Market Day during the Exercise Period, in the manner set out in Condition 4 and otherwise on terms and subject to these Conditions, to subscribe for one Warrant Share at the Exercise Price (subject to adjustments in accordance with Condition 5) on the Exercise Date applicable to such Warrant. The payment of the Exercise Price shall, on the Exercise Date, be applied towards the subscription of the Warrant Shares. No fraction of a Share shall be allotted. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company.
- 3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised, will lapse and cease to be valid for any purpose. The right to exercise the Warrants will not be extended beyond the Expiration Date.
- 3.3 The Company shall before the Expiration Date:
- 3.3.1 give or cause the Warrant Agent to give sufficient notice to the Warrantholders of the Expiration Date in accordance with Condition 10; and
- 3.3.2 take reasonable steps to despatch to the Warrantholders notices in writing to their addresses recorded in the Register or the Depository Register, as the case may be, on the Expiration Date.

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

- 3.4 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5:00 p.m. on the Expiration Date shall become void.

### 4. PROCEDURE FOR EXERCISE OF WARRANTS

#### 4.1 Lodgment Conditions

4.1.1 In order to exercise the Warrant(s), a Warrantholder must **before 3.00 p.m. on any Market Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date** fulfill all the following conditions:

- (i) lodge, so as to be received at the specified office for the time being of the Warrant Agent, the relevant Warrant Certificate registered in the name of the exercising Warrantholder or CDP (as the case may be) together with the Exercise Notice (copies of which may be obtained from the Warrant Agent) in respect of the Warrants represented thereby, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense with or defer the production of the Warrant Certificate where such Warrant Certificate is in the name of CDP;
- (ii) furnish such evidence (if any) as the Warrant Agent may require in order to determine or verify the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (and every joint Warrantholder, if any) or otherwise to ensure the due exercise of the Warrants and such other evidence as the Company may require to verify due compliance with and for the purposes of administering and implementing the provisions set out in these Conditions;
- (iii) pay or satisfy the Exercise Price in accordance with the provisions of Condition 4.2 below;
- (iv) pay a deposit or other applicable fees or expenses or expenses for the time being chargeable by, and payable to, CDP (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrant(s) as the Warrant Agent may require; and
- (v) if applicable, pay such other applicable fees for the issuance of share certificates representing the Warrant Shares to be issued upon the exercise of the relevant Warrants (if any) and related expenses to be incurred and the submission of any necessary documents required in order to effect the delivery of the share certificates to the place specified by the exercising Warrantholder in the Exercise Notice or to CDP (as the case may be).

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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- 4.1.2 Any exercise of Warrants registered in the name of CDP shall be further conditional upon the number of Warrants so exercised being credited to the “**Free Balance**” of the Securities Account(s) of the exercising Warrantholder and remaining so credited until the relevant Exercise Date, and the relevant Exercise Notice specifying that the Warrant Shares to be issued on exercise of the Warrants are to be credited to the Securities Account of the exercising Warrantholder failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.
- 4.1.3 An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warrantholders whose Warrants are registered in the name of CDP irrevocably authorise the Company and the Warrant Agent to obtain from CDP and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the abovementioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and this Deed Poll and to take such steps as may be required by CDP (including the steps set out in CDP’s procedures for the exercise of warrants as set out in its website <http://www.cdp.com.sg> or such other website, as amended from time to time) in connection with the operation of the Securities Account of any Warrantholder, provided that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the Depository Register or the records of, or statements and information supplied by, CDP.
- 4.1.4 Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), Exercise Notice and any moneys tendered in or towards payment of the Exercise Notice in accordance with Condition 4.2 below may not be withdrawn without the prior consent in writing of the Company.

### 4.2 Payment of Exercise Price

- 4.2.1 Payment of the Exercise Price shall be made free from any foreign exchange commissions, remittance charges or any other deductions and shall be made:
- (i) to the specified office of the Warrant Agent by way of a remittance in Singapore Dollars by banker’s draft or cashier’s order drawn on a bank operating in Singapore in favour of the Company, and/or by debiting the CPF Investment Account with the CPF Approved Bank as specified in the Exercise Notice, for the credit of the Special Account for the full amount of the Exercise Price payable in respect of the Warrants exercised; and
  - (ii) be accompanied by a payment advice containing:
    - (a) the name of the exercising Warrantholder;
    - (b) the number of Warrants being exercised; and

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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- (c) if the relevant Warrant Certificate is registered in the name of a person other than CDP, the certificate numbers of the relevant Warrant Certificates or, if the relevant Warrant Certificates are registered in the name of CDP, the Securities Account(s) of the exercising Warrantholder which is to be debited with the number of Warrants being exercised

and in each case, compliance must be made with any exchange control or other statutory requirements for the time being applicable.

- 4.2.2 If the payment of the Exercise Price fails to comply with the provisions in Conditions 4.2.1(i) and 4.2.1(ii), the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company to the Warrantholder, refuse to recognize the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrant may accordingly be delayed or treated as invalid.
- 4.2.3 If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported exercise of all the relevant Warrants lodged with the Warrant Agent is less than the full amount of the Exercise Price, the Warrant Agent shall not treat the relevant amount so received or any part thereof as payment of the Exercise Price or any part thereof unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 and Condition 4.4 in an amount sufficient to cover the deficiency. Neither the Company nor the Warrant Agent shall be held responsible in any way whatsoever for any loss arising from the retention of any such payment by the Company or the Warrant Agent.
- 4.2.4 Payment of the Exercise Price received by the Warrant Agent will be forwarded to the Company in payment for the Warrant Shares to be delivered in consequence of the exercise of such Warrants, and thereafter deposited by the Company into the Special Account.

### 4.3 **Exercise Date**

The relevant Warrant shall (provided Condition 4 has been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

### 4.4 **Special Account**

- 4.4.1 Payment of the Exercise Price received by the Warrant Agent shall be forwarded to the Company on the following Business Day after the applicable Exercise Date relating to the relevant Warrants as payment for the Shares to be delivered in consequence of the exercise of the relevant Warrants.

The relevant Warrant and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to the Warrant Certificate(s) in the name of CDP, the number of Warrants represented by the Warrant Certificate(s) registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised. The original Warrant Certificates(s) shall be cancelled as soon as possible after receipt by the Warrant Agent from CDP of instructions as to the cancellation of such original Warrant Certificate(s).

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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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4.4.2 If payment of the Exercise Price is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrant or the relevant payment is less than the full amount of such Exercise Price, or the conditions set out in Condition 4.1 or Condition 4.2 or any other provisions have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Special Account pending recognition of such payment or full payment or, fulfilment of the lodgement conditions, as the case may be, but on whichever is the earlier of:

- (i) the 14th day after receipt of such Exercise Notice by the Warrant Agent; and
- (ii) the Expiration Date,

such payment will (if the Exercise Date in respect of such Warrant(s) has not by then occurred) be returned, without interest, to the person who remitted such payment. So long as the relevant Exercise Date has not occurred, any such payment (excluding any interest, if any, accrued thereon) will continue to belong to the exercising Warrant Holder but may only be withdrawn within the abovementioned 14 day period with the prior consent in writing of the Company.

The Warrant Agent shall not treat the relevant payment as so received or any part thereof as payment of the Exercise Price and accordingly, the whole of such payment shall remain in the Special Account pending recognition of such payment or full payment or, fulfilment of the lodgment conditions set out in Condition 4.1 or other provisions, as the case may be, but on whichever is the earlier of (i) 14th day after receipt of such Exercise Notice by the Warrant Agent and (ii) the Expiration Date, such payment will (if the Exercise Date in respect of such Warrant(s) has not by then occurred) be returned without interest, to the person who remitted such payment.

The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable) and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice together with such payment to the exercising Warrantheader by ordinary post at the risk and expense of such Warrantheader. The Company will, upon receipt of notification from the Warrant Agent of any unsuccessful exercise of Warrants, forward such payment to the Warrant Agent for it to be returned to the exercising Warrantheader. The Company will be entitled to deduct or otherwise recover from such payment so returned any applicable handling charges and out-of-pocket expenses of the Warrant Agent. So long as any particular payment remains credited to the Special Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warrantheader but it may only be withdrawn within the abovementioned 14-day period with the consent in writing of the Company.

### 4.5 Allotment of Shares and Issue of New Warrant Certificates

4.5.1 A Warrantheader exercising Warrants which are registered in the name of CDP must specify in the Exercise Notice to have the delivery of Shares arising from the exercise of such Warrants to be effected by crediting such Shares to the Securities Account of such Warrantheader.



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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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A Warrantholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of such Shares or to have the delivery of such Shares effected by crediting such Shares to his Securities Account, failing which such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such new Shares at his address specified in the Warrant Register.

4.5.2 The Company shall allot and issue the Shares arising from the exercise of the relevant Warrants by a Warrantholder in accordance with the instructions of such Warrantholder set out in the Exercise Notice and:

(i) where a Warrantholder has (or is deemed to have) elected in the Exercise Notice to receive physical share certificates in respect of the Warrant Shares arising from the exercise of the relevant Warrants, the Warrant Agent shall notify the Share Registrar to allot the Warrant Shares and despatch, as soon as practicable but in any event not later than five (5) Business or Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantholder the share certificates relating to such Shares registered in the name of such Warrantholder; and

(ii) where such Warrantholder has elected in the Exercise Notice to have the delivery of Shares effected by the crediting of the Securities Account of such Warrantholder as specified in the Exercise Notice, the Warrant Agent shall notify the Share Registrar to allot the Warrant Shares and the Share Registrar shall as soon as practicable but not later than five Business Days after the relevant Exercise Date despatch the share certificates relating to such Shares in the name of, and to, CDP for the credit of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice, failing which such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such Shares at the address of such Warrantholder as specified in the Register).

4.5.3 Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch a new Warrant Certificate in the name of the exercising Warrantholder in respect of such balance Warrants held by him remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice and at the risk of that Warrantholder at the same time as it delivers in accordance with the relevant Exercise Notice the share certificate(s) relating to the Shares arising upon exercise of such Warrants.

Where such Warrantholder exercises part only (and not all) of his Warrants registered in the name CDP, the number of Warrants represented by the Warrant Certificate registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of the Warrants so exercised.



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## APPENDIX E – TERMS AND CONDITIONS OF THE WARRANTS

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4.5.4 The Warrant Shares will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which is before the relevant Exercise Date. For the purpose of this Condition 4.5, “**Record Date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time in accordance with market practice as may have been notified in writing by the Company) on which Shareholders must be registered with the Company or, in the case of Shareholders whose Shares are registered in the name of CDP, with CDP in order to participate in such dividends, rights, allotments or other distributions.

### 4.6 Warrant Agent and Share Registrar

The name of the initial Warrant Agent and Share Registrar and their specified offices are set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent or the Share Registrar and to appoint an additional or another Warrant Agent or Share Registrar, provided that it will at all times maintain a Warrant Agent having a specified office in Singapore, so long as any Warrants remain unexercised. Notice of any such termination or appointment of the Warrant Agent or the Share Registrar will be given to the Warrantheolders in accordance with Condition 10.

**Initial Warrant Agent** : RHT Corporate Advisory Pte. Ltd.

**Registered Office** : 30 Cecil Street, #19-08 Prudential Tower, Singapore  
049712

**Share Registrar** : RHT Corporate Advisory Pte. Ltd.

**Registered Office** : 30 Cecil Street, #19-08 Prudential Tower, Singapore  
049712

### 4.7 Register of Warrantheolders

4.7.1 The Warrant Agent shall keep and maintain the Register. The Register shall contain particulars of the Warrantheolders and, if the Warrants are registered in the name of CDP, and such other information relating to the Warrants as the Company may require.

Where the Warrants are held through CDP, the registered holder of such Warrants in the Register shall be CDP.

Subject to the approval of CDP, the Depository Register may at the discretion of the Company be closed (i) during such periods when the Register of Members and/or register of transfers of the Company is/are closed or deemed to be closed, (ii) during such other periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants held by each Warrantheolder, or (iii) during such other periods as the Company may determine, provided that the Register shall not be closed for more than 30 days in any calendar year. Not less than 14 days’ notice of the closure of the Register will be given to the Warrantheolders in accordance with Condition 10;

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4.7.2 Except as required by law or as ordered by a court of competent jurisdiction, the Company and the Warrant Agent shall be entitled to rely on the Register (where the registered holder of a Warrant is a person other than CDP) or the Depository Register (where CDP is the registered holder of a Warrant) or any statement or certificate issued by CDP to the Company or any Warrantholder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warrantholders, the number of Warrants to which any such Warrantholders are entitled, to give effect to the exercise of the subscription rights constituted by the Warrants and for all other purposes in connection with the Warrants (whether or not the Company shall be in default in respect of the Warrants or any of these Conditions or any provisions in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any claim on or loss or theft or forgery of any Warrant or Warrant Certificate or any irregularity or error in the Depository Register or records of CDP or any express notice to the Company or Warrant Agent, or any other related matters).

4.7.3 Except as required by law:

- (i) the person in whose name a Warrant is registered (other than CDP); and
- (ii) (where a Warrant is registered in the name of CDP) the Depositor for the time being appearing in the Depository Register maintained by CDP as having such Warrant credited to his Securities Account,

will be deemed and treated as the absolute owner of that Warrant (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft of the relevant Warrant Certificate or any express notice to the Company or Warrant Agent or any other related matter) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants.

### 4.8 Replacement of lost, stolen, destroyed Warrant Certificates

If any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may, subject to applicable laws and at the discretion of the Company, be replaced at the specified office of the Warrant Agent upon payment by the claimant of the expense incurred in connection therewith and the replacement fee, such fee being for the time being a sum of S\$2.00 (or such other sum as may be decided by the Directors) together with such other related expenses to be incurred for each replacement Warrant Certificate and on such terms as to evidence, undertaking and/or indemnity (which may provide, *inter alia*, that if the Warrant Certificate is allegedly lost, stolen or destroyed and any Warrants represented by such Warrant Certificate is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of replacement thereof), advertisement, undertaking and otherwise as the Company and/or the warrant Agent may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered to the Warrant Agent before replacements will be issued. The replacement Warrant Certificate(s) will be registered in the name of the registered holder of the Warrant Certificate(s) being replaced.

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### 5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

#### 5.1 Adjustments

Subject to the provisions of these Conditions and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder may from time to time be adjusted by the Directors in consultation with an Approved Person provided that (i) such adjustment has been certified to be in accordance with Condition 5 hereof by the Auditors (except in the event Condition 5.4.11 applies); and (ii) approval in-principle has been granted by the SGX-ST for the listing and quotation of such additional Warrants as may be issued as a result of such adjustment and such additional new Shares as may be issued on the exercise of any such Warrants. The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions upon the occurrence of any or all of the following events:–

- 5.1.1 any consolidation or subdivision of the Shares (including a subdivision by way of a bonus issue by the Company of Shares without capitalization of profits or reserves);
- 5.1.2 an issue by the Company of Shares credited as fully paid for which no consideration is payable, by way of capitalisation of profits or reserves (whether of a capital or income nature) to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);
- 5.1.3 a Capital Distribution (as defined in Condition 5.4.3 below) made by the Company to Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);
- 5.1.4 an offer or invitation made by the Company to Shareholders whereunder they may acquire or subscribe for Shares by way of a rights issue; or
- 5.1.5 an issue (otherwise than pursuant to an offer or invitation made by the Company to its Shareholders whereunder they may acquire or subscribe for Shares by way of a rights issue, requiring an adjustment under Condition 5.1.4 above, and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares if the Total Effective Consideration (as defined below) per Share is less than 90 per cent of the Last Dealt Price per Share, calculated as provided below.

- 5.2 **Extension to Warrantholders of Offers to Shareholders:** If an offer or invitation for Shares is made otherwise than by the Company to the Shareholders, then the Company shall so far as it is able, procure that an offer or invitation is made to the then Warrantholders at the same time as if their rights to subscribe for Shares had been exercised the day immediately preceding the date and procure the registration of such Warrantholders in the share register of the Company by the close of business in order for such Warrantholders to participate in such offer or invitation Provided Always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not deemed to be a breach by the Company of its obligations under these Conditions and the Deed Poll.

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5.3 **No Adjustments under Certain Circumstances:** Notwithstanding any of the provisions contained herein, no adjustment to the Exercise Price or the number of Warrants will be required in respect of:–

5.3.1 any issue by the Company of Shares, to officers including Directors, or employees of the Company or any of its subsidiaries or associated companies pursuant to any purchase or option scheme or performance share plan approved by the Shareholders in a general meeting; or

5.3.2 any issue by the Company of Shares, in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or

5.3.3 any issue by the Company of Shares arising from the exercise of the Warrants; or

5.3.4 any issue by the Company of securities convertible into Shares or of rights to acquire or subscribe for Shares and the issue of Shares arising from the conversion or exercise of such securities or rights.

### 5.4 Rules for Adjustments

Subject to these Conditions and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two (2) or more events in Conditions 5.1.1 to 5.1.5 or if such event shall be capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Person shall determine):–

5.4.1 **Consolidation, Subdivision or Reclassification:** If and whenever a Share undergoes any consolidation or subdivision or conversion, the Exercise Price shall be adjusted in the following manner:–

$$\text{New Exercise Price} = \frac{A}{B} \times X$$

and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:–

$$\text{Adjusted number of Warrants} = \frac{B}{A} \times W$$

Where:–

A = the aggregate number of issued and fully paid up Shares immediately before such consolidation or subdivision or conversion;

B = the aggregate number of issued and fully paid up Shares immediately after such consolidation or subdivision or conversion;

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X = existing Exercise Price of the Warrants; and

W = existing number of Warrants held.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

5.4.2 **Capitalisation Issues:** If and whenever the Company shall make any issue of Shares to Shareholders credited as fully paid for which no consideration is payable or by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account and capital redemption reserve fund but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:–

$$\text{New Exercise Price} = \frac{A}{(A + B)} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(A + B)}{A} \times W$$

Where:–

A = the aggregate number of issued and fully paid up Shares immediately before such capitalisation issue;

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid for which no consideration is payable or by way of capitalisation of profits or reserves (whether of a capital or income nature but excluding any issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

X = existing Exercise Price of the Warrants; and

W = existing number of Warrants held.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market day next following the record date for such issue.

For the purpose of this Condition 5, “record date” in relation to the relevant transaction means the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered to participate therein.

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5.4.3 **Capital Distributions and Rights Issue:** If, and whenever, the Company shall make

- (a) a Capital Distribution (as defined below) to Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (b) any offer or invitation to Shareholders whereunder they may acquire or subscribe for Shares by way of rights;

then, in respect of each such case, the Exercise Price shall be adjusted in the following manner:

$$\text{New applicable Exercise Price} = \frac{(C - D)}{C} \times X$$

and, in the case of Condition 5.4.3(b), the number of Warrants held by each Warrantholder shall be adjusted in the following manner:–

$$\text{Adjusted number of Warrants} = \frac{C}{(C - D)} \times W$$

where:–

C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, any offer or invitation is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, the offer or invitation;

D = (1) in the case of a transaction falling within Condition 5.4.3(a), the fair market value, as determined by an Approved Person and/or the Auditors, of that portion of the Capital Distribution attributable to one Share; and

(2) in the case of a transaction falling within Condition 5.4.3(b), the value of rights attributable to one Share (as defined below);

X = existing Exercise Price of the Warrants; and

W = existing number of Warrants held.

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For the purpose of sub-paragraph (2) of D above, the “value of the rights attributable to one Share” shall be calculated in accordance with the following formula:–

$$\frac{C - E}{F + 1}$$

Where:–

- C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, any offer or invitation is announced publicly to the SGX-ST or (failing such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, the offer or invitation;
- E = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares under the terms of such offer or invitation by way of rights; and
- F = the number of Share(s) 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.

For the purpose of Conditions 5.1.3 and 5.4.3, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.4.2) or other securities (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) by way of capitalisation of profits or reserves. Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Company or any of its subsidiaries on or before the date of such distribution and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such transactions.

- (a) in the case of a Capital Distribution falling within Condition 5.4.3(a), from the commencement of the Market Day next following the record date for such Capital Distribution; and
- (b) in the case of an offer or invitation falling within Condition 5.4.3(b), from the commencement of the Market Day next following the closing date of such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the last date for acceptance and/or application and payment for Shares under the terms of such offer or invitation.



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5.4.4 **Concurrent Capitalisation Issue and Rights Issue:** If and whenever the Company makes any allotment to its Shareholders as provided in Condition 5.4.2 above and also makes any offer or invitation to its Shareholders as provided in Condition 5.4.3(b) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:–

$$\text{New applicable Exercise Price} = \frac{(G \times C) + (H \times E)}{(G + H + B) \times C} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(G + H + B) \times C}{(G \times C) + (H \times E)} \times W$$

Where:–

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature but excluding any issue of Shares made to Shareholders who elect to receive Shares in lieu of cash or other dividend);

C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, any offer or invitation is announced publicly to the SGX-ST or (failing such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, the offer or invitation;

G = the aggregate number of issued and fully paid-up Shares on the record date;

H = the aggregate number of new Warrant Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

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

X = existing Exercise Price of the Warrants; and

W = existing number of Warrants held.

Such adjustments will be effective (if appropriate retroactively) from the commencement of the day next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the last date for acceptance and/or application and payment for Shares under the terms of such offer or invitation.

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- 5.4.5 **Issues at Discount other than by way of Rights:** If, and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under Conditions 5.4.3(b) or 5.4.4 and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration per Share (as defined below) is less than 90 per cent of the Last Dealt Price on the SGX-ST on the date on which the issue price of such Shares is determined, or if such price is determined either before the close of trading on the SGX-ST for that day, or on a day which is not a Market Day, the Exercise Price shall be adjusted in the following manner on the immediately preceding Market Day:–

$$\text{New applicable Exercise Price} = \frac{L + M}{L + N} \times X$$

Where:–

- L = the number of Shares in issue at the close of business on the SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;
- M = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at the Last Dealt Price (exclusive of expenses);
- N = the aggregate number of Shares so issued; and
- X = existing Exercise Price of the Warrants.

Each such adjustment will be effective (if appropriate retroactively) from the close of trading on the SGX-ST on the Market Day immediately preceding the date on which the issue is announced publicly, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purpose of this Condition 5, the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Person and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration per Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

### 5.4.6 **Adjustments Relating to the Exercise Price and Number of Warrants**

- (i) Any adjustment to the Exercise Price will be rounded upwards to the nearest one cent and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Exercise Price. No adjustment to the Exercise Price shall be made unless it is in accordance with this Condition 5.4. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.

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- (ii) Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless it is in accordance with this Condition 5.4 and approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants.

- 5.4.7 **Re-adjustments:** If for any reason an event giving rise to an adjustment (the “**first adjustment**”) made to the Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantholder may, at the discretion of the Company, be re-adjusted to the amount and number prevailing immediately prior to the first adjustment with effect from such date and in such manner and on such terms and conditions as an Approved Person and/or Auditor may consider appropriate.

Where there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than 5 Market Days after the effective date of such adjustment or such longer period as the SGX-ST may permit, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, to his address appearing in the Register or, in respect of Warrants registered in the name of CDP, to CDP provided that if a re-adjustment is made pursuant to this Condition 5.4.6, any additional Warrants issued pursuant to the first adjustment shall be deemed to be cancelled with effect from such date and in such manner and on such terms and conditions as an Approved Person and/or Auditor may consider appropriate.

- 5.4.8 **Modification to Adjustments:** Notwithstanding any other provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants held by each Warrantholder provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Person and/or Auditors to consider whether for any reason whatsoever for which the adjustment is to be made or the omission of making an adjustment or whether the adjustment to be made in accordance with the provisions of Condition 5, is appropriate or inappropriate, as the case may be, and if such Approved Person and/or Auditors shall consider the adjustment to be appropriate or inappropriate, as the case may be, the adjustment shall not be carried out or shall be modified or nullified as shall be considered by such Approved Person and/or Auditors to be in its opinion appropriate.

- 5.4.9 **Modification to Rights of Share or Loan Capital:** Without prejudice to the generality of Condition 5, if the Company shall in any way modify the rights attached to any Share or loan capital so as to convert or make such Share or loan capital convertible into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Person and/or Auditors to consider whether any adjustment to the Exercise Price and/or the number of

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Warrants held by each Warrantholder is appropriate and if such Approved Person and Directors and/or Auditors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.

- 5.4.10 **Notice to Warrantholders and Auditors' Certificate:** Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 10 that the Exercise Price and/or the number of Warrants has/have been adjusted, setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date thereof and (except in the event Condition 5.4.11 applies) the Company shall at all times thereafter so long as any of the Warrants remain exercisable make available for inspection at its registered office a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants and a certificate signed by a Director setting forth brief particulars of the event(s) giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment and shall, on request and at the expense of the Warrantholder, send a copy thereof to any Warrantholder.
- 5.4.11 **Dispute as to Adjustment:** If the Directors, the Approved Person and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Person acting as expert and not arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.
- 5.4.12 **Status of Additional Warrants:** Any new Warrants issued as a result of an adjustment made under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll and shall be issued subject to and with the benefit of the Deed Poll, the Conditions and on such other terms and conditions as the Directors may from time to time think fit.
- 5.4.13 **Auditors and Approved Person act as Experts:** In giving any certificate or making any adjustment hereunder, the Auditors and/or the Approved Person shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- 5.4.14 **SGX-ST Approval and Announcement:** Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder other than in accordance with the provisions of this Condition 5 shall be subject to the approval of the SGX-ST and agreed to by the Company and the Auditors and/or the Approved Person.

Any adjustments made pursuant to this Condition 5 shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company to the SGX-ST.

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- 5.4.15 **Share Buy-backs.** Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of the SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantheolders shall be required for such buy-back of any classes of shares.

If the Company shall purchase or otherwise acquire Shares issued by it pursuant to the provisions of the Act, the Company shall, if so required by the Warrantheolders by way of an Special Resolution (as defined in the Deed Poll), appoint an Approved Person and/or Auditors to consider whether any adjustment is appropriate and if such Approved Person and/or Auditors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantheolder shall be adjusted accordingly.

- 5.4.16 In the event any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantheolder is proposed or required to be made pursuant to the Deed Poll, the relevant party or parties, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Company from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Company as at the date of execution of this Deed Poll, provided that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per share value of such adjustment cannot exceed the per share value of the dilution to the Warrantheolder's interest in the equity of the Company (based on the Shares comprised in the unexercised Warrants held by such Warrantheolder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

### 6. STATUS OF SHARES

Shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares of the Company, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Warrant Shares. For the purpose of this Condition 6, "**record date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business on which the 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.

### 7. TRANSFER AND TRANSMISSION OF WARRANTS

- 7.1 **Transferable in Lots of Whole Numbers only:** Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling the Warrantheolder to subscribe for whole numbers of Warrant Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Warrant Share or otherwise than as the sole or joint holder of the entirety of such Warrant Share.

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- 7.2 **Warrant not Registered in the Name of CDP:** Subject to applicable law and other provisions of these Conditions, a Warrant which is not registered in the name of CDP may only be transferred in accordance with the following provisions of this Condition 7.2:
- 7.2.1 a Warrantholder whose Warrants are registered in the name of a person other than CDP (“**Transferor**”) shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor’s Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (“**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty provided always that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP;
  - 7.2.2 the Transferor shall furnish such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form;
  - 7.2.3 the Transferor shall pay the expenses of, and submit any necessary documents required by the Warrant Agent in order to effect the delivery of, the new Warrant Certificates to be issued in the name of the transferee;
  - 7.2.4 the Transfer Form shall be accompanied by the registration fee (such fee being for the time being a sum of S\$2.00 for each Warrant Certificate to be transferred) which shall be payable by cash or cheque together with any stamp duty and goods and services tax (if any) specified by the Warrant Agent to the Transferor;
  - 7.2.5 if the Transfer Form has not been fully or correctly completed by the Transferor or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Transferor accompanied by written notice of the omission(s) or error(s) and requesting the Transferor to complete and/or amend the Transfer Form and/or to make the requisite payment; and
  - 7.2.6 if the Transfer Form has been fully and correctly completed, the Warrant Agent shall as agent for and on behalf of the Company:
    - (i) register the person named in the Transfer Form as transferee in the Warrant Register as registered holder of the Warrant in place of the Transferor;
    - (ii) cancel the Warrant Certificate(s) in the name of the Transferor; and
    - (iii) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.
- 7.3 **Warrants Registered in the Name of CDP:** With respect to Warrants registered in the name of CDP, any transfer of such Warrants shall be effected subject to and in accordance with these Conditions, applicable law and the rules of CDP as amended from time to time and where the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry.



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- 7.4 **Warrants of Deceased Warrant Holders:** The executors and administrators of a deceased Warrantholder whose Warrants are registered otherwise than in the name of CDP (not being one (1) of several joint holders) or, if the registered holder of the Warrants is CDP, of a deceased Depositor and, in the case of the death of one (1) or more of several joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants and shall be entitled to be registered as a holder of the Warrants and/or to make such transfer as the deceased Warrant Holder could have made, upon the production by such persons to the Company and the Warrant Agent of such evidence as may be required by the Company to prove their title and on completion of a Transfer Form and the payment of such fees and expenses referred to in Condition 7.2. Conditions 7.2 and 7.3 shall apply *mutatis mutandis* to any transfer of the Warrants by such persons.
- 7.5 **Transferor Deemed Warrant Holder unless Transfer Registered:** A Transferor or Depositor, as the case may be, shall be deemed to remain a Warrantholder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent or in the Depository Register by CDP, as the case may be.
- 7.6 **Transfer of Part of Holding of Warrants:** Where the transfer relates only to part (but not all) of the Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the Transferor at the cost of the Transferor, a Warrant Certificate in the name of the Transferor in respect of any Warrants not transferred.

### 8. WARRANT AGENT NOT ACTING FOR THE WARRANTHOLDERS

In acting under the Warrant Agency Agreement, the Warrant Agent is (subject to the terms and conditions thereof) acting solely as an agent of the Company for certain specified purposes and does not assume any obligation or duty to or any relationship of agency or trust for the Warrantholders.

### 9. MEETINGS OF WARRANTHOLDERS AND MODIFICATION

- 9.1 **Meetings of Warrantholders:** The Deed Poll contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Special Resolution (as defined in the Deed Poll) of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or by Warrantholders holding not less than 10 per cent of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing an Special Resolution shall be 2 or more persons present being Warrantholders or proxies duly appointed by Warrantholders holding or representing over 50 per cent of the Warrants for the time being unexercised, or at any adjourned meeting 2 or more persons being or representing Warrantholders whatever the number of Warrants so held or represented except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll (including canceling the subscription rights constituted by the Warrants or changing the Exercise Period), the necessary quorum for passing an Special Resolution shall be two or more persons holding or representing not less than 75 per cent or, at any adjournment of such meeting, over 50 per cent of the Warrants for the time being remaining unexercised.



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- 9.2 **Binding Effect of Special Resolution:** A Special Resolution duly passed at any meeting of Warrantheolders shall be binding on all persons having an interest in the Warrants, whether or not they were present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantheolders.
- 9.3 **No Consent Required under Certain Circumstances:** The Company may, without the consent of the Warrantheolders but in accordance with the terms of the Deed Poll, effect:
- 9.3.1 any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Company, is not materially prejudicial to the interests of the Warrantheolders;
- 9.3.2 any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Company, is to correct a manifest error or to comply with mandatory provisions of Singapore law;
- 9.3.3 any modification to the Warrants or the Deed Poll which, in the opinion of the Company, is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Shares arising from the exercise thereof or meetings of the Warrantheolders (in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of the trades of the Company's securities on the Main Board of the SGX-ST), provided that such modification is not materially prejudicial to the interests of the Warrantheolders;
- 9.3.4 any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, is of a formal, technical or minor nature.
- Any such modification shall be binding on all Warrantheolders and all persons having an interest in the Warrants and shall be notified to them in accordance with Condition 9 as soon as practicable thereafter.
- 9.4 Any modification to the terms and/or conditions of the Warrants after the issue thereof must be subject to the approval of the SGX-ST (if required), except where the modifications are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.
- 9.5 Notwithstanding any other provisions as set out in the Deed Poll, any material modification to the terms and/or conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders but prejudicial to Shareholders must be approved by Shareholders in a general meeting, except where the modifications are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.
- 9.6 Save as provided by these Conditions, the Company shall not:
- 9.6.1 extend the Exercise Period;
- 9.6.2 issue new warrants to replace the Warrants;
- 9.6.3 change the Exercise Price; or
- 9.6.4 change the exercise ratio of the Warrants.

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### 10. NOTICES & NOTICE OF EXPIRY DATE

- 10.1 All notices required to be given pursuant to these Conditions shall be valid if announced by the Company on the website of the SGX-ST. Such notices shall be deemed to have been given on the date of such announcement or, if announced more than once or on different dates, on the first date on which announcement shall have been made.
- 10.2 The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantheolders in accordance with this Condition 10, of the Expiration Date. The Company shall also, not later than one month before the Expiration Date, take reasonable steps to notify the Warrantheolders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Warrants are registered in the name of CDP, their addresses as shown in the Depository Register. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the day of posting.
- 10.3 Without prejudice to the generality of the foregoing, Warrantheolders who acquire warrants after notice of the Expiration Date has been given in accordance with these Conditions shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with this Condition 10. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

### 11. WINDING UP OF THE COMPANY

- 11.1 **Members' Voluntary Winding-up:** If a resolution is passed during the Exercise Period for a members' voluntary winding-up of the Company, then:–
- (i) **Scheme accepted by Warrant Holder:** If such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheolders, or some person designated by them for such purpose by Special Resolution shall be a party and shall have approved or assented to by way of an Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantheolders and all persons having an interest in the Warrants; and
  - (ii) **Deemed exercise:** In any other case every Warrantheolder shall be entitled upon and subject to the Conditions at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice duly completed together with payment of the relevant Exercise Price and other items required under Condition 4 to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantheolders in accordance with Condition 10 of the passing of any such resolution within seven (7) days after the passing thereof.

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11.2 **Winding-up for any other Reason:** Subject to the foregoing, if the Company is wound up for any reason other than a members' voluntary winding-up, all Warrants unexercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

11.3 **Merger, Amalgamation, Scheme of Reconstruction:** Where the Company enters into or intends to enter into a merger, amalgamation, scheme of reconstruction or other analogous event, so long as any of the Warrants remains outstanding, the Company will use its best endeavours to ensure that the entity ("**Entity**") into which the Company is reorganised, reconstituted or merged will agree (i) to grant an option to the Warranholders to exchange their holding of the Warrants for equivalent holdings of comparable securities of the Entity, or any subsidiary of the Entity on such terms as may be acceptable to the Entity, and (ii) to a fair basis for effecting such exchange.

### 12. FURTHER ISSUES

Subject to these Conditions, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such issue unless otherwise resolved by the Company in a general meeting or in the event of a take-over offer to acquire Shares.

### 13. STAMP DUTY ON EXERCISE OF WARRANTS

The Company will pay all stamp duties and other similar duties or taxes payable in Singapore on or in connection with the constitution and the initial issue the Warrant, the distribution of the Warrants and the execution of the Deed Poll. Any other stamp duties, similar duties, fees or charges (if any) or other fees payable to CDP on, or arising from, the exercise of Warrants will be for the account of the relevant Warranholders.

### 14. THIRD PARTY RIGHTS

No person shall have any right to enforce any term or condition of the Warrants and the Deed Poll under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, as amended, modified or supplemented from time to time.

### 15. GOVERNING LAW AND JURISDICTION

The Warrants and the Deed Poll are governed by and shall be construed in accordance with the laws of the Republic of Singapore.

### 16. JURISDICTION

The courts of the Republic of Singapore are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Warrants and the Deed Poll and accordingly any legal action or proceedings arising out of or in connection with the Warrants and the Deed Poll ("**Proceedings**") may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

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**Notes:**

1. The attention of Warrantheolders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers (the “**Code**”) and Section 139 of the Securities and Futures Act (Chapter 289 of Singapore) (the “**SFA**”), as may be amended from time to time. In particular, a Warrantheolder should note that he may be under an obligation to extend a take-over offer of the Company if:
  - 1.1 he acquires whether by exercise of the Warrants over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him (the term “acting in concert” as used herein shall have the meaning ascribed thereto by the Code)) carry 30 per cent. or more of the voting rights of the Company; or
  - 1.2 he, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of the Company, and he, or any persons acting in concert with him, acquires in any period of 6 months additional shares carrying more than one per cent. of the voting rights.
2. A Warrantheolder who, after the exercise of his Warrants, has an interest (as defined in the Act) in not less than five per cent. of the total votes attached to all the voting shares in the Company, is under an obligation to notify the Company and the SGX-ST of his interest in the manner set out in Sections 135 to 137B of the SFA.

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## DIRECTORS' RESPONSIBILITY STATEMENT

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The Directors collectively and individually accept 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 cum Warrants 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 or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or reproduced in this Offer Information Statement in its proper form and context.

Dated this 17 September 2019

For and on behalf of  
**ANNAIK LIMITED**

Mr. Ow Chin Seng  
Executive Chairman cum CEO

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Mr. Ow Eei Meng, Benjamin  
Executive Director cum  
Deputy Chief Executive Director

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Mr. Ng Kim Keang  
Executive Director cum  
Chief Operating Director

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Mr. Lim Geok Peng  
Independent Director

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Ms. Tan Poh Hong  
Independent Director

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