

OFFER INFORMATION STATEMENT DATED 30 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 30 September 2019)

THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS 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 SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IN PARTICULAR, THE COMPANY MAKES NO REPRESENTATION THAT THE SECURITIES OR THE SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED ARE SUITABLE FOR YOU. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES

The securities offered are issued by MSM International 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 Provisional Allotment Letter (the “PAL”), the Application Form for Rights Shares and Excess Rights Shares (the “ARE”) and the Application Form for Rights Shares (the “ARS”), 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, PAL, ARE and ARS (collectively, the “Documents”). Neither the Authority nor the SGX-ST assumes any responsibility for the contents of the Documents, including the correctness or accuracy of any of the statements or opinions made or reports contained herein. Neither the Authority nor the SGX-ST has, in any way, considered the merits of the Company and its subsidiaries, and the securities being offered or in respect of which an invitation is made for investment. The lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, does not imply that the Securities and Futures Act (Chapter 289) of Singapore, or any other legal or regulatory requirements, or requirements in the SGX-ST’s listing rules, have been complied with.

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

An application has been made to the SGX-ST for permission for the Rights Shares to be listed for quotation on Catalist. The listing and quotation notice had been obtained from the SGX-ST on 25 June 2019 for the dealing in and listing and quotation of the Rights Shares on Catalist, subject to compliance with the SGX-ST’s listing requirements. The listing and quotation notice granted by the SGX-ST for the dealing in and listing and quotation of the Rights Shares on Catalist is in no way reflective of and is not to be taken as an indication of the merits of the Rights Issue (as defined below), the Rights Shares, the Company, its subsidiaries and their securities. The Rights Shares will be admitted to Catalist and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, the certificates for the Rights Shares have been issued and the allotment letters from The Central Depository (Pte) Limited (the “CDP”) have been despatched.

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

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

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

This Offer Information Statement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) in accordance with Rules 226(2)(b) and 753(2) of the SGX-ST Listing Manual Section B: Rules of Catalist. This Offer Information Statement has not been examined or approved by the SGX-ST. 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 Ms. Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).



MSM INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore on 18 August 2009)
(Company Registration No. 200918800R)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 22,500,000 NEW ORDINARY SHARES IN THE ISSUED AND PAID-UP CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”), AT AN ISSUE PRICE OF S\$0.07 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS ISSUE”)

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of “nil-paid” rights	:	11 October 2019 at 5:00 p.m.
Last date and time for acceptance and payment	:	17 October 2019 at 5:00 p.m.
Last date and time for renunciation and payment	:	17 October 2019 at 5:00 p.m.
Last date and time for excess application and payment	:	17 October 2019 at 5:00 p.m.

IMPORTANT NOTICE

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

For Entitled Depositors (which excludes Entitled Scripholders, SRS Shareholders, CPFIS Shareholders and investors who hold Shares through finance companies and/or Depository Agents) and their renounees, acceptances of the Rights Shares and/or (if applicable) applications for excess Rights Shares may be made through CDP.

For Entitled Scripholders and their renounees, acceptances of the Rights Shares and/or (if applicable) applications for Excess Rights Shares may be made through the Share Registrar, BACS Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544.

For investors who hold Shares through finance companies or Depository Agents and CPFIS Shareholders, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares must be done through their respective finance companies or Depository Agents, and in the case of CPFIS Shareholders, their respective approved CPF agent banks. Any application made directly to the CDP, the Share Registrar and/or the Company will be rejected.

For Entitled Shareholders who (i) hold Shares through finance companies or Depository Agents; or (ii) bought Shares using CPF Funds (“CPFIS Shareholders”); or (iii) bought Shares using SRS funds (“SRS Investors”), acceptances of the Rights Shares and/or (if applicable) applications for Excess Rights Shares must be done through the respective finance companies, Depository Agents, CPF Approved Banks which hold their CPF Investment Accounts, or approved banks in which they hold their SRS accounts (“SRS Approved Banks”). Such Entitled Shareholders, CPFIS Shareholders and SRS Investors are advised to provide their respective finance companies, Depository Agents, CPF Approved Banks, or SRS Approved Banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. Any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar and/or the Company will be rejected.

CPFIS Shareholders must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts (“CPF Funds”) for the payment of the Issue Price to subscribe for the Rights Shares. CPFIS Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct the respective CPF Approved Banks, where such CPFIS Shareholders hold their CPF Investment Accounts, to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Shareholders can top up cash into their CPF Investment Accounts before instructing their respective CPF Approved Banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Shareholders are advised to provide their respective CPF Approved Banks with the appropriate instructions early in order for their CPF Approved Banks 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, the Share Registrar and/or the Company will be rejected. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

SRS Investors must use, subject to applicable SRS rules and regulations, SRS Funds to pay for the acceptance of their Rights Shares and/or (if applicable) application for Excess Rights Shares. SRS Investors who wish to accept their Rights Shares and/or (if applicable) apply for Excess Rights Shares using SRS Funds, must instruct the relevant SRS Approved Banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to

IMPORTANT NOTICE

accept their Rights Shares and/or (if applicable) apply for Excess Rights Shares. SRS Investors are advised to provide their respective SRS Approved Banks with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptances and (if applicable) applications on their behalf by the Closing Date. SRS Funds may not, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market. Any acceptance of the Rights Shares provisionally allotted and/or (if applicable) application for Excess Rights Shares made directly through CDP, 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 represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case maybe, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights Shares made directly through CDP, the Share Registrar and/or the Company will be rejected.

The above-mentioned Entitled Shareholders, where applicable, will receive notification letter(s) from their respective CPF Approved Bank, SRS 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 or their respective CPF Approved Bank, SRS Approved Bank, finance company and/or Depository Agent.

The existing Shares are listed and quoted on Catalist.

Persons wishing to subscribe for the Rights Shares 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, risk factors, performance and prospects of the Group (as defined herein), and the rights and liabilities attaching to the Rights Shares. They should make their own independent enquiries and investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their stockbroker, bank manager, solicitor, accountant or other professional adviser before deciding whether to subscribe for any "nil-paid" rights, 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 Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Sponsor.

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 and/or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company 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 Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority. All Entitled Shareholders of the Company 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.

IMPORTANT NOTICE

Neither the Company nor the Sponsor is making any representation to any person regarding the legality of an investment in the Rights 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, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, financial, legal or tax advice regarding an investment in the Rights Shares and/or the Shares.

The Company and the Sponsor make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Shares, the 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 subscribe for the Rights Shares and/or the Shares. Prospective subscribers of the Rights Shares should rely on their investigation of the financial condition and affairs of the Company and the Group as well as their own 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 under the Rights Issue and may not be relied upon by any person (other than Entitled Shareholders to whom these documents are despatched by the Company, their renounees and Purchasers) for any other purpose.

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

The distribution of this Offer Information Statement and/or its accompanying documents 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. Entitled Shareholders or any persons having possession of this Offer Information Statement and/or its accompanying documents are advised by the Company to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company and the Sponsor. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

PrimePartners Corporate Finance Pte. Ltd., as the Sponsor, has given and has not withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name in the form and context in which it appears in this Offer Information Statement.

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CORPORATE INFORMATION

- BOARD OF DIRECTORS** : Chan Kee Sieng (Executive Chairman)
Chan Kit Moi (Executive Director)
Chan Wen Chau (*Executive Director and Chief Executive Officer*)
Lee Kean Cheong (Independent Director)
Leow Wee Kia Clement (Lead Independent Director)
Wong Kok Seong (Independent Director)
- REGISTERED OFFICE** : 8 Robinson Road, #03-00
ASO Building
Singapore 048544
Tel No: +65 6538 0779
Fax No: +65 6438 7926
- COMPANY SECRETARY** : Nor Hafiza Alwi
- SHARE REGISTRAR** : BACS Private Limited
8 Robinson Road, #03-00
ASO Building
Singapore 048544
Tel No: +65 6538 0779
Fax No: +65 6438 7926
- SPONSOR** : **PrimePartners Corporate Finance Pte. Ltd.**
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318
- LEGAL ADVISER TO THE COMPANY IN RESPECT OF THE RIGHTS ISSUE** : **Allan Tan Law Practice**
760 Bedok Reservoir Road
#11-13, Singapore 479245
- RECEIVING BANKER** : **United Overseas Bank Limited**
80 Raffles Place
UOB Plaza 1
Singapore 048624

DEFINITIONS

For the purpose 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:

- “Act” or “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as amended, modified, or supplemented from time to time or re-enactment thereof for the time being in force
- “ARE”** : Application and acceptance form for Rights Shares and excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
- “ARS”** : Application and acceptance form for Rights Shares to be issued to purchasers of the provisional allotments of Rights Shares under the Rights Issue traded on Catalist through the book entry (scripless) settlement system
- “Authority”** : The Monetary Authority of Singapore
- “Books Closure Date”** : 30 September 2019 at 5:00 p.m., 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, in relation to the Entitled Shareholders, their provisional allotments of Rights Shares under the Rights Issue; and in the case of Entitled Depositors, at and on which their provisional allotments of Rights Shares under the Rights Issue will be determined
- “Board” or “Directors”** : The board of Directors of the Company as at the date of this Offer Information Statement
- “Broker-linked Balance”** : Shall, when used in Appendix A of this Offer Information Statement, mean 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.
- “Catalist”** : The sponsor-supervised listing platform of the SGX-ST
- “Catalist Rules”** : The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, supplemented or revised from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Closing Date”** : 5:00 p.m. on 17 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, and renunciation and payment of the Rights Shares under the Rights Issue through CDP or the Share Registrar;
- “Code”** : The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
- “Company”** : MSM International Limited
- “Constitution”** : The constitution of the Company, as amended from time to time
- “Control”** : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company

DEFINITIONS

- “Controlling Shareholders”** : A person who:
- (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (b) in fact, exercises Control over the Company
- “Council”** : The Securities Industry Council of Singapore
- “CPF”** : The Central Provident Fund
- “CPF Funds”** : Monies standing to the credit of the CPF savings account of CPF members under the CPFIS-OA
- “CPFIS”** : CPF Investment Scheme
- “CPFIS-OA”** : CPF Investment Scheme – Ordinary Account
- “CPFIS Shareholders”** : Shareholders who bought Shares under the CPFIS
- “Electronic Application”** : Has the meaning given to it in paragraph 1.1 of Appendix A
- “Entitled Depositors”** : Shareholders with Shares standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
- “Entitled Scripholders”** : Shareholders whose share certificates have not been deposited with CDP and 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) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”** : Entitled Depositors and Entitled Scripholders
- “EPS”** : Earnings per share
- “Foreign Purchasers”** : Persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
- “Foreign Shareholders”** : Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents
- “FY”** : Financial year ended/ending 31 December or 31 March, as the case may be
- “FP”** : Financial period from 1 January 2017 to 31 March 2018

DEFINITIONS

- “Group”** : The Company and its subsidiaries
- “Irrevocable Undertaking”** : The undertaking dated 4 June 2019 given by Triumphant Hope Sdn. Bhd. to the Company to, amongst others, subscribe for and/or procure the subscription of its *pro-rata* entitlement of the Rights Shares, based on its 61,564,747 Shares, representing an aggregate of approximately 68.41% of the Company’s existing issued share capital
- “Issue Price”** : The issue price of the Rights Shares, being S\$0.07 for each Rights Share
- The Issue Price:
- (a) represents a discount of approximately thirty (30) percent. to the volume-weighted average price of S\$0.1000 per Share for trades done on the Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 29 March 2019 (being the last trading day on which the Shares were traded on the SGX-ST prior to the release of the announcement of the Rights Issue dated 31 March 2019); and
- (b) represents a discount of approximately 25.53 percent. to the theoretical ex-rights price of S\$0.094 per Share (calculated based on the volume-weighted average price of S\$0.1000 per Share for trades done on the SGX-ST on 29 March 2019).
- “Latest Practicable Date”** : 23 September 2019, being the latest practicable date prior to the printing of this Offer Information Statement
- “Market Day”** : A day on which the SGX-ST is open for trading in securities
- “Member Company”** : Means, when used in Appendix A of this Offer Information Statement, a Trading Member of the SGX-ST.
- “NAV”** : Net Asset Value
- “Offer Information Statement”** : This offer information statement and, where the context admits, the PAL, the ARE, the ARS and all accompanying documents including any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue
- “PAL”** : The provisional allotment letters to be issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares under the Rights Issue of such Entitled Scripholders under the Rights Issue
- “Purchasers”** : The purchasers of the provisional allotments of Rights Shares traded on Catalist under the book-entry (scripless) settlement system
- “Record Date”** : In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company), on which Shareholders must be registered 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
- “Register of Members”** : Register of members of the Company

DEFINITIONS

“Rights Issue”	: The renounceable non-underwritten rights issue by the Company of up to 22,500,000 Rights Shares at an issue price of S\$0.07 for each Rights Share, on the basis of one (1) Rights Share for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
“Rights Shares”	: Up to 22,500,000 new Shares to be allotted and issued by the Company pursuant to the Rights Issue, and each a “Rights Share”
“Securities Account”	: Securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“SFA”	: The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified, or supplemented from time to time or re-enactment thereof for the time being in force
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Registrar”	: BACS Private Limited
“Shareholders”	: Registered holders of Shares in the Register of Members of the Company or, where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	: Ordinary shares in the capital of the Company
“Singapore”	: The Republic of Singapore
“Sponsor”	: Prime Partners Corporate Finance Pte. Ltd.
“SRS”	: Supplementary Retirement Scheme
“SRS Approved Banks”	: Approved banks in which SRS Members hold their accounts under the SRS
“SRS Funds”	: Monies standing to the credit of the SRS accounts of SRS Members under the SRS
“SRS Members”	: Members under the SRS
“Subsidiary”	: Has the meaning ascribed to it in Section 5 of the Companies Act
“Substantial Shareholder”	: A person who holds directly and/or indirectly 5.0% or more of the total issued share capital of the Company
“RM” and “cents”	: Malaysian ringgit and cents, respectively, the lawful currency of Malaysia
“S\$” and “cents”	: Singapore dollars and cents, respectively, the lawful currency of Singapore
“Undertaking Shareholder”	: Triumphant Hope Sdn. Bhd.

DEFINITIONS

“Unit Share Market” : The unit share market of the SGX-ST which allows for the trading of odd lots in quantities less than the board lot size

“%” or “per cent.” : Percentage or per centum

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

The terms **“subsidiary”** and **“Substantial Shareholders”** shall have the meanings ascribed to them in Sections 5 and 81 of the Act.

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

Any reference to the time of day in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other dates(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, the PAL, the ARE or the ARS to any enactment is reference to that enactment for the time being amended or re-enacted. Any term defined under the Act, the SFA or the Catalist Rules or such statutory modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning ascribed to it under the Act, SFA, or the Catalist Rules or such statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in the figures included in this Offer Information Statement 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.

Any reference to an **“announcement”** of or by the Company in the Offer Information Statement, the PAL, the ARE and the ARS includes announcements of or by the Company posted on the website of the SGX-ST at <http://www.sgx.com/>.

Unless otherwise stated, the conversion of RM to S\$ in this Offer Information Statement is based on the exchange rate of S\$1 to RM3.03 (rounded down) as at the Latest Practicable Date.

Source: <https://secure.mas.gov.sg/msb/ExchangeRates.aspx> ⁽¹⁾

Note:

(1) *The Authority has not consented for the purposes of Section 249 and 277 of the SFA to the inclusion of the information above which is publicly 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 the content of such information.*

EXPECTED TIMETABLE OF KEY EVENTS

The important dates and times for the Rights Issue are as follows:

Shares trade ex-rights	:	27 September 2019 from 9:00 a.m.
Books Closure Date	:	30 September 2019 at 5:00 p.m.
Despatch of Offer Information Statement (together with the ARE or PAL, as the case may be) to the Entitled Shareholders	:	3 October 2019
Commencement of trading of "nil-paid" rights	:	3 October 2019 from 9:00 a.m.
Last date and time for splitting rights	:	11 October 2019 at 5:00 p.m.
Last date and time for trading of "nil-paid" rights	:	11 October 2019 at 5:00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	17 October 2019 at 5:00 p.m.
Last date and time for acceptance of and payment for Rights Shares by renounees	:	17 October 2019 at 5:00 p.m.
Last date and time for application and payment of excess Rights Shares	:	17 October 2019 at 5:00 p.m.
Expected date for issuance of Rights Shares	:	23 October 2019
Expected date for crediting of Rights Shares	:	24 October 2019
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	25 October 2019
Expected date for listing and commencement of trading of Rights Shares	:	25 October 2019

All dates and times referred to above are Singapore dates and times

Pursuant to Rule 820(1) of the Catalist Rules, the Rights Issue will not be withdrawn after the Shares have commenced ex-rights trading. Based on the above timetable, the Shares are expected to commence ex-rights trading on 27 September 2019 from 9:00 a.m.

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 above timetable to be modified. However, the Company may, with the approval of the Sponsor, SGX-ST, and/or CDP, modify the above timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

In order to be eligible for the Rights Issue, a Shareholder must be an Entitled Shareholder, and not be a person to whom it is prohibited by any applicable laws to send this Offer Information Statement or make an invitation under the Rights Issue.

All questions as to the eligibility of any person to participate in the Rights Issue, subscribe and/or apply for Rights Shares and as to the validity, form and eligibility (including time of receipt) of any PAL, ARE or ARS is determined by the Company in its sole discretion. The Company's determination as to whether a person is an Entitled Shareholder and as to whether or when a PAL, ARE or ARS is received, whether it is duly completed or whether acceptance is validly revoked shall be final and binding.

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement, together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Depositors who do not receive this Offer Information Statement and the AREs may obtain them from CDP during 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 during the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date (fractional entitlements, if any, being disregarded). Entitled Shareholders are at liberty to accept, decline, renounce or, in the case of Entitled Depositors only, trade on Catalist (in full or in part) during the rights trading period prescribed by the SGX-ST, their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

All dealings in, and transactions of, the provisional allotments of Rights Shares through Catalist 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 Catalist.

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing. Entitled Depositors are reminded that any request to CDP to update their records or effect any change in address must reach CDP at 9 Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588, not later than 5:00 p.m. on the date falling three (3) Market Days before the Books Closure Date.

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach the Share Registrar, BACS Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, not later than 5:00 p.m. on the date falling three (3) Market Days before the Books Closure Date. Entitled Scripholders may open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of the Rights Shares under the Rights Issue. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12th) Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

Entitled Depositors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through the CDP. Entitled Scripholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through the Share Registrar. The acceptance and subscription of the Rights Shares and (if applicable) applications for Excess Rights Shares must

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

be done through the respective finance company or Depository Agent, for investors who hold Shares through a finance company or Depository Agent. Any acceptance and/or application by such investors to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares made directly through CDP, the Share Registrar and/or the Company will be rejected.

For SRS Members who have subscribed for or purchased Shares under the SRS, subject to applicable SRS rules and regulations, they must use SRS Funds to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) excess applications.

SRS Shareholders, who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using SRS Funds, must instruct their respective SRS Approved Banks to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Shareholders 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 and (if applicable) apply for excess Rights Shares. SRS Members are advised to provide their respective SRS Approved Banks with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. **SRS Funds may not, however, be used for the purchase of the Rights Shares directly from the market. Any acceptance and/or application of the SRS Members to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares made directly through CDP, the Share Registrar and/or the Company will be rejected.**

CPFIS Shareholders may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the Rights Shares. CPFIS Shareholders who have acquired the Shares using their respective CPF Funds under the CPFIS-OA, can only use their respective CPF Funds to pay for the Rights Shares. In the case of insufficient CPF funds or stock limit, the CPFIS Shareholders could top up cash into their respective approved banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares directly from the market. **CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

CPFIS Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct the respective approved banks, where such CPFIS Shareholders hold their CPF investment accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement. CPFIS Shareholders are advised to provide their respective approved banks with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. **Any acceptance and/or application by CPFIS Shareholders to accept their provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares made directly through CDP, the Share Registrar and/or the Company will be rejected.**

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy applications for excess Rights Shares (if any) as the Directors may, in their absolute discretion, deem fit.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and that Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, and the Undertaking Shareholders will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company will not make any allotment and issue of any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or unless relevant securities requirements, whether legal or administrative, are 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 legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or to any jurisdictions outside Singapore.

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

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotment of the Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares renounced to him. The Company further reserves the right to reject any acceptances of the Rights Shares and/or any application for excess Rights Shares where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on Catalist as soon as practicable after dealings in the provisional allotment of Rights Shares have commenced. Such sales may, 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 the expenses expected 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 among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with 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 Sponsor, the Share Registrar, CDP or their respective officers in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on Catalist, 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 Sponsor, the Share Registrar, CDP or their respective officers in respect of such sales or proceeds thereof, such provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

If such provisional allotments of Rights Shares cannot be sold or are not sold on Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be used 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 Sponsor, the Share Registrar, CDP or their respective officer in connection therewith.

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

Shareholders with registered addresses outside Singapore are encouraged to provide a registered address in Singapore to the Share Registrar or CDP, as the case may be, at least three (3) Market Days prior to the Books Closure Date, in order to receive the provisional allotment of Rights Shares under the Rights Issue.

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 unless such offer, invitation or solicitation could lawfully be made without compliance with any registration, any regulatory or other legal requirements in those territories. The responsibility for ascertaining and complying with these regulations and requirements shall lie with these Shareholders.

TRADING

1. LISTING OF AND QUOTATION FOR THE RIGHTS SHARES

A listing and quotation notice have been obtained from the SGX-ST on 25 June 2019 for the listing of and quotation for up to 22,500,000 Rights Shares on the Catalist, subject to the Company's compliance with the SGX-ST's listing requirements. The listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and their securities.

Upon listing and quotation on the Catalist, the Rights Shares, when allotted and 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 Catalist and/or CDP shall be made in accordance with the "**Terms and Conditions for Operation of Securities Accounts with the 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.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on the Catalist 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) before accepting any Rights Shares or applying for any excess Rights Shares in order that the number of Rights Shares and, if applicable, the excess Rights Shares 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 and/or apply for the Rights Shares, and/or excess Rights Shares, and have their Rights Shares credited by CDP 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 have provided 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 the Securities Accounts currently maintained with CDP will be issued physical certificates in their own names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. 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 Catalist under the book-entry (scripless) settlement system, although they will be *prima facie* evidence of legal title to the shares represented by the certificates.

If an Entitled Scripholder's address stated in the PAL is different from the 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 an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the Catalist, must deposit with CDP the share certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares and/or Shares, as the case may be, before he can transact the desired trade.

TRADING

3. TRADING OF ODD LOTS

Shareholders should note that most counters on the SGX-ST trade in lot sizes of 100 shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares, (i.e. less than 100 Shares) and who wish to trade in odd lots of Shares on the Catalist should note that they will be able to do so on the Unit Share Market of the SGX-ST. The market for trading of such odd lots of Shares may be illiquid. Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the Catalist. Shareholders who hold odd lots of the Rights Shares (i.e. less than 100 Shares) and who wish to trade in odd lots on the Catalist should note that there is no assurance that they can acquire such number of Shares to make up one (1) board lot of 100 Shares, or to dispose of their odd lots (whether in part or in whole) on the Catalist.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, 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, without limitation, “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, operating results, business strategy, plans and future prospects of the Group’s industry are forward looking statements.

These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans 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 (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be discussed in those statements.

Further, the Company and the Sponsor 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, if required, may 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 circumstance that has arisen after the lodgement of this Offer Information Statement with the SGX-ST acting as agent on behalf of the Authority, that is material or is required to be disclosed by law and/or the SGX-ST. The Company is also subject to the provisions of the Catalyst Rules regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of, *inter alia*, public companies with a primary listing on the Catalist, including the Company.

Except with the consent of the Council, 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 30.0% 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 30.0% but not more than 50.0% 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 1.0% of the voting rights,

such person must extend a mandatory offer immediately 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 the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Council and/or their professional advisers immediately.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights 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 in this Offer Information Statement.

- Basis of provisional allotment : The Rights Issue is made on a renounceable non-underwritten basis of one (1) Rights Share for every four (4) existing Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
- Number of Rights Shares : Up to 22,500,000 Rights Shares to be allotted and issued.
- Issue Price : The issue price of the Rights Shares, being S\$0.07 for each Rights Share
- The Issue Price:
- (a) represents a discount of approximately thirty (30) percent. to the volume-weighted average price of S\$0.1000 per Share for trades done on the Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 29 March 2019 (being the last trading day on which the Shares were traded on the SGX-ST prior to the release of the announcement of the Rights Issue dated 31 March 2019); and
 - (b) represents a discount of approximately 25.53 percent. to the theoretical ex-rights price of S\$0.094 per Share (calculated based on the volume-weighted average price of S\$0.1000 per Share for trades done on the SGX-ST on 29 March 2019).
- 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 issued Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.
- Eligibility to participate in the Rights Issue : Please refer to the section "**Eligibility of Shareholders to Participate in the Rights Issue**" of this Offer Information Statement.
- Listing of the Rights Shares : On 25 June 2019, the Company obtained a listing and quotation notice from the SGX-ST for the listing of and quotation for the Rights Shares on Catalist, subject to the Company's compliance with the SGX-ST's listing requirements.
- The listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and their securities.
- Trading of 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. All dealings in and transactions (including transfers) in relation to 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. For the purposes of trading on the Catalist, each board lot of Shares will comprise 100 Shares.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

- Trading of Nil-paid Rights : Entitled Depositors should note that the “nil-paid” Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST’s Unit Share Market.
- Acceptance, excess application and payment procedures : The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of Rights Shares and the application for excess Rights Shares, including the different modes of acceptances or application and payment, are contained in Appendices A to C of this Offer Information Statement and in the PAL, the ARE and the ARS.
- Estimated proceeds : Assuming (a) that the Rights Issue is fully subscribed by all Shareholders, the estimated amount of net proceeds of the Rights Issue (net of estimated costs and expenses incurred in connection with the Rights Issue of approximately S\$0.1 million) is expected to be approximately S\$1,475,000; and (b) that the Rights Issue is subscribed only by the Undertaking Shareholder, the estimated amount of net proceeds of the Rights Issue (net of estimated costs and expenses incurred in connection with the Rights Issue of approximately S\$0.1 million) is expected to be approximately S\$977,435.
- Use of CPF Funds : Please refer to the section “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement.
- Underwriting : The Rights Issue is not underwritten. In view of the Irrevocable Undertaking, further details of which are set out in Paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this Offer Information Statement, and the savings in underwriting costs which the Company will enjoy, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.
- Risk Factors : Investing in the Rights Shares involves Risks. Please refer to the section “**Risk Factors**” of this Offer Information Statement.
- Governing law : Laws of the Republic of Singapore

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors and/or subscribers in making an informed judgment on the Rights Issue are set out below. Prospective investors and/or subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest or subscribe for the Rights Shares. The Group may be affected by a number of risks that may relate to the industries 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, possibly materially. If any of the following considerations and uncertainties develops into actual events, the business, financial considerations and results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Shares could decline and a prospective investor or subscriber may lose all or part of his investment in the Shares and the Rights Shares. Before deciding to invest in the Rights Shares, you should seek professional advice from your adviser(s) about your particular circumstances.

Prospective investors and/or subscribers should also note that certain of the statements set forth below constitute "forward-looking statements" that involve risks and uncertainties – please see the section "Cautionary Note on Forward-Looking Statements" of this Offer Information Statement.

RISKS RELATING TO THE GROUP'S BUSINESS

The Group is reliant on key management personnel to manage and grow the business

The Group is reliant on the services of its Executive Directors and key managers who are instrumental in formulating the Group's business strategies and spearheading the growth of the Group's business operations. The continued execution and development of the Group's business strategies are dependent on its ability to identify, recruit, train and retain qualified employees for its management team. There is no assurance that the Group will be able to retain its key management personnel. The loss of the Group's key management personnel without suitable replacements may have an adverse impact on its operations and its future performance.

There is no assurance that the growth of the Group will be sustainable

Apart from the Group's development plans and business strategies, other factors, like intense market competition and customers' preferences, which are beyond its control, may also affect its growth. There is no assurance that the Group will be able to achieve or maintain similar levels of growth in revenue and profit in future. The past results of the Group should not be used as an indicator of its future performance.

Competition in the industries in which the Group operates is intense and any failure by the Group to compete could result in it losing market share and revenues

The industries in which the Group operates are highly competitive. The Group competes with other companies operating in the same segments, namely, in the original equipment manufacturing sector for various customised systems and equipment, industrial kitchen equipment sector, the oil and gas sector and the outfitting of cleanrooms and laboratories. If the Group does not successfully compete against its competitors, its results of operations may be materially and adversely affected.

Challenges in the Oil and Gas Industry

The Group expects to face market pressure from increasing competition in its oil and gas business, and the general volatility of the oil and gas industry. The Group views the outlook for its oil and gas business for the next 12 months to remain challenging. These factors may affect the Group's overall profitability and the results of its operations may be materially and adversely affected.

Country Risk

Within Malaysia, with the large financial losses suffered by the Malaysian government owing to the 1MDB scandal, delays in the progress of major infrastructure projects are expected which, in turn, will slow down business activities generally. This may in turn affect the Group's business in instances where some of the Group's clients who are involved in Malaysian government projects are affected by these delays.

RISK FACTORS

Foreign Exchange Risks

Our revenue is denominated in RM. On the other hand, a portion of our Group's purchases are denominated in United States Dollar. To the extent that our revenue and purchases are not sufficiently matched in the same currency and to the extent that there are timing differences between receipt and payment, we will be exposed to any adverse fluctuation in exchange rates. Any restrictions over the conversion or timing of conversion of foreign currencies may also expose us to adverse fluctuations in exchange rates. As a result, our earnings may be adversely affected.

At present, we do not have any formal policy for hedging against our foreign exchange exposure, although we may from time to time utilise currency hedging instruments. However, we will continue to monitor our foreign exchange exposure and may employ a formal policy to manage our foreign exchange exposure should the need arise. Notwithstanding the above, there is no assurance that we will be able to successfully manage our foreign exchange risks and any significant adverse foreign currency fluctuations may adversely affect our financial position and results of operations.

We may be affected by non-collection of receivables from our customers

As highlighted as a key audit matter in our Annual Report dated 31 March 2019, the carrying amounts of trade receivables was RM23,156,000, which accounted for 21% of the Group's total assets. Although our auditors have agreed with the key assumptions and estimates we have used to assess the recoverability of the outstanding trade receivables to be within a reasonable range of our expectation, there is always a risk that one or more of our significant customers may face financial difficulties and, therefore, become unable to make payment to us or in a timely manner. Delays in collection from our customers will have an adverse impact on our liquidity, our costs of borrowings, and credit assessments by the financial institutions we work with, and any impairment that we may make in the event of non-payment by any significant customer or customers may result in an adverse impact on our business, financial position and results of operations.

We may be affected by inventory holding costs

As at 31 March 2019, the carrying amounts of work-in-progress and finished goods were RM9,565,000 and RM9,416,000 respectively. The cost of work-in-progress and finished goods consist of raw material cost and cost of conversion. The major component of the cost of work-in-progress and finished goods relates to its raw material which mainly comprises stainless steel and metal. Cost of conversion includes direct labour and a systematic allocation of fixed and variable production overheads. The basis of systematic allocation of cost of conversion takes into account normal levels of labour, efficiency and capacity utilisation. While these carrying amounts are reviewed and, if necessary, revised in the light of the prevailing conditions. However, in view of the Group's manufacturing processes and its numerous product lines, the basis of cost allocation is complex and highly dependent on estimates. In combination with the significant carrying amounts of inventories in relation to the Group's total current assets, there is a risk that our carrying amount for our inventory or work-in-progress may result in high holding costs such as financing costs, warehousing and logistic costs and insurance costs. A significant increase in these costs may result in an adverse impact on our business, financial position and results of operations.

The Group may be involved in legal and other proceedings arising from its operations from time to time

The Group may be involved from time to time in disputes with various parties involved in the business activities that the Group undertakes, including product liability and claims for damages in the services and products the Group supplies. These parties include contractors, sub-contractors, suppliers, construction companies, purchasers and other partners. These disputes may lead to legal and other proceedings. The Group may also have disagreements with relevant regulatory bodies. These may subject the Group to administrative proceedings. In the event that unfavourable decrees are determined by the courts or the regulatory bodies, the Group may suffer not only financial losses but also a delay in the construction or completion of its projects. In such an event, the Group may be liable for damages and incur legal costs, which will have an adverse effect on the Group's financial performance and financial condition.

RISK FACTORS

RISKS RELATING TO THE RIGHTS ISSUE

The trading price of the Shares may be volatile

The market price for the Shares on the SGX-ST could be subject to significant fluctuations. Any such fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors, some of which are beyond the Company's control.

Such factors include but are not limited to:

- variation in our operating results;
- investors' perception of our prospects;
- economic, stock and credit market conditions and sentiments; and
- general changes in rules or regulations regarding the industry that we operate in, including those that affect the demand for our services.

Any of the above events could result in a decline in the market price of the Shares during and after the Rights Issue.

Future issues or sale of Shares could adversely affect the Share price

Any future issue or sale of Shares can have a downward pressure on the Share price. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue, or the perception that such sales may occur, could materially affect the market price of the Shares. There is no restriction on the ability of the Substantial Shareholders to sell their Shares either on the SGX-ST or otherwise.

An active trading market in the "nil-paid" rights may not develop

There is no certainty that an active trading market for the "nil-paid" rights on the SGX-ST will develop during the trading period for such nil-paid entitlements. Even if an active market develops, the trading price for the "nil-paid" rights, which depends on the trading price of the shares, may be volatile.

Liquidity of the Shares

Active and liquid trading for securities generally result in lower volatilities in price and more efficient execution of buy and sell orders for investors. Generally, the liquidity of the market for a particular share is dependent on, amongst others, the size of the free float, the price of each board lot, institutional interests, and the business prospects of the Group as well as the prevailing market sentiment. There is no assurance that there will be an active trading market for the Shares subsequent to the Rights Issue and even if there is, there is no assurance that an active trading market for the Shares will be sustained.

Generally, companies whose shares are listed and quoted on the Catalist involve a higher degree of risk and their shares can be less liquid than shares quoted on the Main Board of the SGX-ST.

Possible Dilution of Shareholding

The Rights Issue is offered on a pro-rata basis to all Entitled Shareholders. If all Entitled Shareholders take up their proportionate entitlements, there will be no dilution as the shareholding interests of all Entitled Shareholders will remain the same after the closing of the Rights Issue. Entitled Shareholders who decline to accept and subscribe for their entitlements will experience dilution of the percentage ownership and value of their Shares as the Company will be issuing up to 22,500,000 additional new ordinary shares as Rights Shares to all Entitled Shareholders.

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 repayment of borrowings, business expansion and/or acquisitions and/or investments. If additional funds are raised through the issuance of new Shares other than on a *pro rata* basis by the Company to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

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

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

DIRECTORS

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

The names and addresses of each of the Directors are as follows:

Name	Address	Designation
Chan Kee Sieng	c/o 8 Robinson Road #03-00, ASO Building Singapore 048544	Executive Director & Chairman
Chan Wen Chau	c/o 8 Robinson Road #03-00, ASO Building Singapore 048544	Executive Director and Chief Executive Officer
Chan Kit Moi	c/o 8 Robinson Road #03-00, ASO Building Singapore 048544	Executive Director
Leow Wee Kia Clement	c/o 8 Robinson Road #03-00, ASO Building Singapore 048544	Non-Executive Independent Director
Lee Kean Chong	c/o 8 Robinson Road #03-00 ASO Building Singapore 048544	Non-Executive Independent Director
Wong Kok Seong	c/o 8 Robinson Road, #03-00 ASO Building Singapore 048544	Non-Executive Independent Director

ADVISERS

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

Issue manager to the Rights Issue : Not applicable as no issue manager was appointed

Underwriter to the Rights Issue : Not applicable, as the Rights Issue will not be underwritten

Legal Adviser to the Company in relation to the Rights Issue : Allan Tan Law Practice
760 Bedok Reservoir Road
#11-13, Singapore 479245

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

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 derivative contracts being offered, where applicable.**
-

Share Registrar	:	BACS Private Limited 8 Robinson Road, #03-00 ASO Building Singapore 048544
Transfer Agents	:	Not applicable
Receiving Banker	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza 1 Singapore 048624

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

PART III – OFFER STATISTICS AND TIMETABLE

OFFER STATISTICS

1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.
-

Method of offer	:	Renounceable and non-underwritten Rights Issue
Basis of allotment	:	One (1) Rights Share for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
Number of Rights Shares	:	Up to 22,500,000 Rights Shares

METHOD AND TIMETABLE

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –
- (a) the offer procedure; and
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
-

Please refer to Paragraphs 3 to 7 below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of 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 shall be made public.
-

Please refer to the section “**Expected Timetable of Key Events**” of this Offer Information Statement.

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

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

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

- 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.**

The Rights Shares and/or excess Rights Shares are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares and/or the excess Rights Shares are contained in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

Please refer to the section “Expected Timetable of Key Events” of this Offer Information Statement for the last date and time for payment for the Rights Shares and, if applicable, excess Rights Shares.

- 5. State, where applicable, the methods of and time limits for –**

- (a) the delivery of the documents evidencing title to the securities 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 securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.**

The Rights Shares will be provisionally allotted to the Entitled Shareholders on or about 30 September 2019 (which in any event shall not be later than 3 Market Days after the Books Closure Date) by crediting the provisional allotments into the Securities Accounts of the respective Entitled Depositors or through the despatch of the relevant PALs to the Entitled Scripholders, based on their respective shareholdings in the Company as at the Books Closure Date.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of excess Rights Shares and who have, among other things, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificate(s) representing such number of Rights Shares will be sent to such Entitled Shareholders by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

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

Please refer to Appendices A to C of this Offer Information Statement and the ARE, the ARS and the PAL for further details.

- 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.**

Not applicable. No pre-emptive rights have been offered.

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

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).**
-

Results of the Rights Issue

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

Manner of Refund

Where any acceptance for the Rights Shares and/or application for excess Rights Shares is invalid or unsuccessful, (in full or in part), the amount paid on acceptance and/or application will be refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the relevant applicant's own risk to the relevant applicant's mailing address as recorded with the Share Registrar; and/or
- (b) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at the relevant applicant's own risk to the relevant applicant's mailing address as maintained with CDP or the Company or in such other manner as they may have agreed with CDP for the payment of any cash distributions, as the case may be.

Please refer to Appendices A to C of this Offer Information Statement and in the PAL, ARE and the ARS for further details.

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

PART IV – KEY INFORMATION

USE OF PROCEEDS FROM OFFER AND EXPENSES INCURRED

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
-

Please refer to Paragraphs 2 to 7 below of this Part IV.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called 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.
-

Assuming that the Rights Issue is fully subscribed by all Shareholders (“**Maximum Scenario**”), based on the existing share capital of the Company of 90,000,000 Shares as at the Latest Practicable Date, up to 22,500,000 Rights Shares may be issued. In the Maximum Scenario, gross proceeds of S\$1,575,000 may be raised pursuant to the Rights Issue, and a total of 22,500,000 Rights Shares may be issued.

Assuming that none of the Shareholders other than the Undertaking Shareholder subscribes for the Rights Shares and the Undertaking Shareholder subscribes fully for its entitlements of 15,391,186 Rights Shares pursuant to the Irrevocable Undertaking (“**Minimum Scenario**”), up to 15,391,186 Rights Shares may be issued. In the Minimum Scenario, gross proceeds of S\$1,077,383 may be raised pursuant to the Rights Issue, and a total of 15,391,186 Rights Shares may be issued.

The estimated costs and expenses of the Rights Issue are expected to be approximately S\$0.1 million. The estimated net proceeds (the “**Net Proceeds**”) after deducting estimated costs and expenses of S\$0.1 million are expected to be approximately S\$1,475,000 under the Maximum Scenario, and approximately S\$977,383 under the Minimum Scenario.

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.
-

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

The Company intends to use the entire Net Proceeds under the Maximum Scenario and Minimum Scenario in accordance to the proportions set out below:

	Maximum Scenario (S\$)	Minimum Scenario (S\$)
Funding Operating Costs	1,032,500	684,168
Expansion of Existing Business And Making New Strategic Investments and/ or Acquisitions	442,500	293,215
Net Proceeds	1,475,000	977,383

Upon completion of the Rights Issue, and pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in this Offer Information Statement, and provide a status report on the use of the Net Proceeds in the Company's interim and full year financial statements issued under Rule 705 of the Catalist Rules and its annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

Based on the reasonable opinion of the Directors as at the date of this Offer Information Statement and in view of the Irrevocable Undertaking, there is no minimum amount which must be raised from the Rights Issue taking into consideration the intended use of the Net Proceeds.

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

Based on the intended use of the proceeds as set out in paragraph 3 above, for each dollar of gross proceeds raised from the Rights Issue, the estimated amount that will be allocated for the intended use and to pay for costs and expenses incurred in relation to the Rights Issue are as follows:

For each dollar of gross proceeds raised	Maximum Scenario	Minimum Scenario
Funding Operating Costs	Approximately S\$0.66	Approximately S\$0.64
Expansion of Existing Business and Making New Strategic Investments and / or Acquisitions	Approximately S\$0.28	Approximately S\$0.27
Costs & Expenses relating to the Rights Issue	Approximately S\$0.06	Approximately S\$0.09

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

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 arms' length basis.

As at the Latest Practicable Date, the Company has not identified any specific asset which the Company intends to, directly or indirectly, acquire or refinance using the Net Proceeds other than in the ordinary course of business. Nevertheless, in the event, an opportunity arises for the Company to acquire any specific asset which the directors deem to be in the interest of the Company to acquire, the Company may, subject to approval of Shareholders being obtained if required by the Catalyst Rules, utilise part of the Net 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.

Not applicable. The Company does not intend to use any part of the Net Proceeds to discharge, reduce or retire the indebtedness of the Company or the Group.

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.

Not applicable. The Rights Issue is not underwritten and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

INFORMATION ON THE RELEVANT ENTITY

8. Provide the following information:
- (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;

Registered office : 8 Robinson Road, #03-00, ASO Building Singapore 048544.

Telephone number : (65) 6538 0779

Facsimile number : (65) 6438 7926

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

Principal place of business : Lot 1909, Jalan KPB 5, Kawasan Perindustrian Kg. Baru Balakong, 43300 Seri Kembangan, Selangor, Malaysia.

Telephone number : (60) 3 8962 6618

Facsimile number : (60) 3 8962 3353

Email : dexter.soh@msmmgroup.com

(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; and

The Group is currently involved in three (3) business segments as follows:

- (i) Original Equipment Manufacturing segment, providing customized, equipment, and precise engineering services;
- (ii) Kitchen appliances, equipment and related services segment;
- (iii) Cleanroom laboratories equipment and set-up segment.

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

Name of company	Country of incorporation	Effective interest held by the Group	Principal activities
<i>Held by the Company</i>			
MSM Metal Industries Sdn. Bhd.	Malaysia	100%	Contract manufacturing of all metal products.
MSM Equipment Manufacturing Sdn. Bhd.	Malaysia	100%	Contract manufacturing of kitchen equipment and sale of standard kitchen equipment.
MSM Kitchen Sdn. Bhd.	Malaysia	100%	Sale and servicing of standard kitchen equipment products.
Toyomi Engineering Sdn. Bhd.	Malaysia	100%	Sale and servicing of metal parts and kitchen equipment, and design consultancy and installation works.
FIC Kitchen Technology Sdn. Bhd.	Malaysia	100%	Manufacturing, sale and servicing of refrigeration appliances.
OMS Technology Sdn. Bhd.	Malaysia	100%	Design, consultancy and installation works for cleanrooms and laboratories.
Marc16 Equipment Manufacturing Sdn. Bhd.	Malaysia	100%	Trading, design and supply of machine.
Flexacon Automation System Sdn. Bhd.	Malaysia	51%	Trading, design and supply of machine, conveyor system.
MSM Metal (S) Pte. Ltd	Malaysia	100%	Trading and servicing of metal parts and kitchen equipment.

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

Name of company	Country of incorporation	Effective interest held by the Group	Principal activities
<u>Held by MSM Equipment Manufacturer Sdn. Bhd.</u>			
PT. Mulia Sinergi Metalindo	Indonesia	100%	Sales and service of metal parts, kitchen equipment.
MSM R Kitchen Sdn. Bhd.	Malaysia	100%	Trading and servicing of metal parts and kitchen equipment.

- (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 recent completed financial year for which financial statements of the relevant entity have been published; or**
 - (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**
-

The significant developments in the Group's business in chronological order from the beginning of the period comprising the three (3) most recent completed financial years up to the Latest Practicable Date are set out below. The significant developments included in this section have been extracted from the related announcement released by the Company via SGXNET and the information presented herein is correct as at the date of each of the relevant announcements. Shareholders are advised to refer to the public announcements released by the Company on SGXNET for further details on these developments.

FY2016

On 13 July 2016, the Company announced the change of names of two (2) wholly owned subsidiaries from (1) MSM Marketing Sdn. Bhd. to MSM Kitchen Sdn. Bhd. (2) Toyomi (M) Sdn. Bhd. to Toyomi Engineering Sdn. Bhd. to better reflect as well as reinforce the essence of the business activity of the said subsidiaries.

On 30 December 2016, the Company announced that:

- (i) Ms Goh Khai Eung will be appointed as Company Secretary in place of Ms Loh Mei Ling with effect from 1 January 2017; and
- (ii) BACS Private Limited will be appointed as the Company's Share Registrar in place of Tricor Barbinder Share Registration Services with effect from 1 January 2017. Accordingly, the Register of Members and Index of the Company will be kept at BACS Private Limited at its office at 8 Robinson Road, #03-00, ASO Building, Singapore 048544, effective from the same date.

FP2018

On 8 May 2017, the Company announced that Ms Zhong Xiaowen had been appointed as Secretary of the Company with effect from 8 May 2017 in place of Ms Goh Khai Eung who resigned as Secretary of the Company with effect from 8 May 2017.

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

On 16 October 2017, the Company announced that Ms Nor Hafiza Alwi has been appointed as Secretary of the Company with effect from 16 October 2017 in place of Ms Zhong Xiaowen who resigned as Secretary of the Company with effect from 16 October 2017.

On 6 December 2017, the Company announced the change of the Company's financial year end from 31 December to 31 March. Consequently, the financial period ending 31 March 2018 will cover a period of 15 months from 1 January 2017 to 31 March 2018. The rationale for the change took into consideration the following: a) the change will result in greater administrative and operational efficiencies for a better flow of the Company's operations as the year-end has generally been a busy period for the Company; and b) the change will enable the Company to better coordinate and finalise its year-end financial reporting requirements with its external auditors and professional advisors in a timely manner as it is not a busy period.

On 26 March 2018, the Company announced the disposal of sixty percent (60%) of its interest in Marc Conleth Industries Sdn. Bhd. ("**MCI**") to Dato Chong Toh Wee ("**Dato Chong**") (the "**Disposal**"). On the same day, MCI entered into a separate agreement with Dato Chong to acquire from Dato Chong 100% of his shareholding interest in Cosmos Instruments Sdn. Bhd. ("**Cosmos**") (the "**Acquisition**"). The consideration for MCI acquiring 100% of Cosmos is the transfer by the Company of its 60% shareholding interest to Dato Chong. Upon completion of the Disposal and the Acquisition, the Company would own forty per cent. (40%) of MCI, while Dato Chong would own sixty per cent. (60%) of MCI. MCI would in turn own 100% of Cosmos.

Subject to the fulfillment and/or waiver of certain conditions precedent, completion of the Disposal would be completed on or before 26 September 2018 ("**Disposal Long Stop Date**") or such other date as mutually agreed in writing.

FY2019

On 26 September 2018, the Company announced that the Company and the Dato Chong have, on 26 September 2018, entered into a supplemental agreement to extend the Disposal Long Stop Date to 26 November 2018.

Correspondingly, on 26 September 2018, the Company announced that MCI and the Dato Chong have, on 26 September 2018, entered into a supplemental agreement to extend the Acquisition Long Stop Date to 26 November 2018.

The Disposal and the Acquisition were completed on 26 November 2018, and on 9 January 2019, the share transfers from the Company to Dato Chong in respect of MCI and from Dato Chong to MCI in respect of Cosmos were registered with the Malaysian registry of companies.

On 27 June 2018, the Company subscribed for additional 900,000 new ordinary shares at RM1.00 per share in the share capital of its wholly-owned subsidiary, Marc16 Equipment Manufacturing Sdn. Bhd. ("**Marc16**"), for a total consideration of RM900,000 by way of capitalisation of an amount of RM900,000 due from Marc16 to the Company.

On 28 September 2018, Mr. Brian Wong Wye Pong, the non-executive, independent director of the Company resigned.

On 15 November 2018, Mr. Lee Kean Cheong was appointed non-executive, independent director of the Company to replace Mr. Brian Wong. Mr. Lee was also inducted as member of the Audit, Nominating and Remuneration Committees of the Board.

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

On 10 December 2018, the Company subscribed for additional 150,000 new ordinary shares at RM1.00 per share in the share capital of its wholly-owned subsidiary, OMS Technology Sdn. Bhd. for a total consideration of RM150,000.

On 31 March 2019, the Company announced the Rights Issue, offering all the Entitled Shareholders Rights Shares on the basis of one (1) Rights Share for every four (4) existing Shares held by Entitled Shareholders at an issue price per Rights Share of S\$0.07. Up to 22,500,000 Rights Shares would be issued (assuming all Entitled Shareholders subscribe for that entitlement. The Rights Issue is the subject of this Offer Information Statement.

1 April 2019 to the Latest Practicable Date

On 31 May 2019, the Company subscribed for additional 500,000 new ordinary shares at RM1.00 per share in the share capital of its wholly-owned subsidiary, OMS Technology Sdn. Bhd. for a total consideration of RM500,000.

On 4 June 2019, the Company announced that Triumphant Hope Sdn. Bhd. had provided a deed of undertaking to the Company that it would subscribe and/or instruct and procure the subscription of its entire entitlement to the Rights Shares allocated to it. The Undertaking Shareholder holds approximately 68.41% of the entire issued share capital of the Company which as at the Latest Practicable Date was 90,000,000 Shares.

On 25 June 2019, a listing and quotation notice has been obtained from the SGX-ST for the listing of and quotation for up to 22,500,000 Rights Shares on the Catalist, subject to the Company's compliance with the Catalist Rules.

On 25 August 2019, the Company announced the incorporation of an associated company, Cosmos Technology International Sdn Bhd ("**CTI**") in which the Company held an effective interest of 40% and Dato' Chong held an effective interest of 60%. The Company then embarked on a restructuring exercise where (i) MCI entered into a share sale agreement with CTI to dispose its 100% shareholding interest in Cosmos ("**Cosmos SSA**"), and (ii) the Company entered into a share sale agreement along with Dato' Chong and CTI (the "**MCI SSA**") pursuant to which the Company and Dato' Chong shall dispose its 40% and 60% shareholding interest in MCI, respectively to CTI. ((i) and (ii) are collectively referred to as the "**Proposed Restructuring**"). Upon completion of the Proposed Restructuring, the ownership structure of the Company and Dato' Chong in relation to CTI, MCI and Cosmos are that the Company would hold 40% interest and Dato' Chong would hold 60% interest in CTI. CTI would in turn hold directly, 100% of MCI and Cosmos. The Proposed Restructuring is part of a plan for a potential corporate exercise in Malaysia of which the details are not finalised yet.

On 17 September 2019 the Company released an announcement to update Shareholders that the authority to issue the Rights Shares would be based on the general share issue mandate granted by Shareholders at the annual general meeting held on 26 July 2019.

On 19 September 2019, the Company announced that the Register of Members of the Company and the share transfer books were closed at 5.00 p.m. on 30 September 2019, being the Books Closure Date to determine the provisional allotments of Rights Shares of Entitled Shareholders under the Rights Issue.

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

- (d) **the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –**
- (i) **in the case of the equity capital, the issued capital; or**
- (ii) **in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**
-

As at the Latest Practicable Date, the Company's equity capital and loan capital are as follows:

Issued and paid-up share capital : RM26,862,000 divided into 90,000,000 Shares

Loan capital : Nil

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

As at the Latest Practicable Date, the interests of the Substantial Shareholders, based on information recorded in the Register of Substantial Shareholders maintained by the Company, is as follows:

Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Triumphant Hope Sdn. Bhd	61,564,747	68.41	–	–
Chan Kee Sieng ⁽¹⁾	187,000	0.21	61,564,747	68.41
Chan Kit Moi ⁽²⁾	130,000	0.14	61,564,747	68.41

Notes:

- (1) Chan Kee Sieng is deemed interested in all of Triumphant Hope Sdn Bhd's 61,564,747 Shares in the Company as he holds 50% of Triumphant Hope Sdn. Bhd.'s total issued share capital.
- (2) Chan Kit Moi is deemed interested in all of Triumphant Hope Sdn Bhd's 61,564,747 Shares in the Company as he holds 50% of Triumphant Hope Sdn. Bhd.'s total issued share capital.
-

- (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, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated, which may have or which have had in the twelve (12) months immediately preceding the date of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

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

- (g) where any securities, securities-based derivative contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –
- (iii) 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
 - (iv) 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 or equity interests; and
-

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

- (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 lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.
-

On 26 March 2018, the Company entered into a sale and purchase agreement to dispose of sixty percent (60%) of its interest in MCI to Dato Chong.

On the same day, MCI entered into a separate agreement with Dato Chong to acquire from Dato Chong 100% of his shareholding interest in Cosmos.

The consideration for MCI acquiring 100% of Cosmos is the transfer by the Company of its 60% shareholding interest in MCI to Dato Chong. Upon completion of the Disposal and the Acquisition, the Company would own forty per cent. (40%) of MCI, while Dato Chong would own sixty per cent. (60%) of MCI. MCI would in turn own 100% of Cosmos.

The Disposal and the Acquisition were completed on 26 November 2018, and on 9 January 2019, the share transfers from the Company to Dato Chong in respect of MCI and from Dato Chong to MCI in respect of Cosmos were registered with the Malaysian registry of companies.

Pursuant to the Cosmos SSA and MCI SSA, the Company will hold 40% interest and Dato' Chong will hold 60% interest in CTI, respectively. CTI would in turn hold directly, 100% of MCI and Cosmos.

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

PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

OPERATING RESULTS

1. Provide selected data from –

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the three (3) most recent completed financial years) for which that statement has been published; and
- (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

The audited consolidated income statements of the Group for FY2016, FP2018 and FY2019 are as set out below:

	FY2016* RM'000 (Unaudited)	FY2016 RM'000 (Audited)	FP2018 RM'000 (Audited)	FY2019 RM'000 (Audited)
Revenue	83,987	92,740	111,879	82,233
Cost of sales	(61,050)	(67,555)	(82,061)	(60,560)
Gross profit	22,937	25,185	29,818	21,673
Other income				
Interest	31	42	37	33
Others	575	609	948	1,271
Other gains and losses				
- Impairment loss on financial assets	–	–	(780)	(179)
- Others	(177)	65	(184)	489
Expenses				
- Selling and distribution	(4,746)	(5,445)	(6,617)	(5,349)
- Administrative	(14,116)	(15,866)	(18,073)	(14,502)
- Finance	(2,182)	(2,948)	(3,170)	(2,887)
	2,322	1,642	1,979	549
Share of profit of associated companies	–	–	–	150
Profit before income tax	2,322	1,642	1,979	699
Income tax expense	(966)	(1,033)	(1,210)	(579)
Profit from continuing operations	1,356	609	769	120
Discontinued operations				
Profit from discontinued operations	(747)	–	1,112	2,773
Total profit, representing total comprehensive income	609	609	1,881	2,893

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

	FY2016* RM'000 (Unaudited)	FY2016 RM'000 (Audited)	FP2018 RM'000 (Audited)	FY2019 RM'000 (Audited)
Profit attributable to:				
Equity holders of the Company	146	146	1,852	2,802
Non-controlling interests	463	463	29	91
	609	609	1,881	2,893
Profit attributable to equity holders of the Company relates to:				
Profit from continuing operations	1,356	609	740	29
(Loss)/profit from discontinued operations	(747)	–	1,112	2,773
	609	609	1,852	2,802
Total comprehensive income attributable to:				
Equity holders of the Company	146	146	1,852	2,802
Non-controlling interests	463	463	29	91
	609	609	1,881	2,893
Earnings per share (“EPS”) for profit from continuing and discontinued operations attributable to equity holders of the Company (RM cents per share)				
Basic EPS and Diluted EPS				
From continuing operations	1.51	0.16	0.82	0.03
From discontinued operations	(0.83)	–	1.24	3.08

* For the purpose of comparative and consistency on the presentation as compared to FP2018 and FY2019.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and 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; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

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

Financial Year	FY2016	FP2018	FY2019
EPS before Rights Issue (RM cents per share)	0.16	2.06	3.11
EPS after adjusting for the Rights Issue under the Maximum Scenario (RM cents per share)	0.13	1.65	2.49
EPS after adjusting for the Rights Issue under the Minimum Scenario (RM cents per share)	0.14	1.76	2.66

No dividend was declared for the FY2016, FP2018 and FY2019.

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.**
-

Not applicable. The audited financial statements in respect of the most recently completed year have been published and are made available on the SGX website at <http://www.sgx.com/>.

4. In respect of –

- (a) **each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and**
 - (b) **any subsequent period for which interim financial statements have been published,**
provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.
-

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.

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

A summary of the operations, business and financial performance of the Group is set out below:

FY2019 versus FP2018

Due to the change of financial year end in FP2018, the changes in income and expenses are compared between the 12- months FY2019 against the 15-months FP2018.

During FY2019, the Group has completed disposal of 60% of its wholly owned subsidiary corporation, MCI. As a result, the financial result of MCI has been accounted as the discontinued operation.

Revenue

	FP2018 RM'000	FY2019 RM'000
Continuing operations		
Original Equipment Manufacturer ("OEM") contract	39,157	33,887
Kitchen appliances, equipment and related services	54,723	36,572
Cleanroom and laboratories	17,999	11,774
	111,879	82,233
Discontinued operations		
Oil and gas	38,487	25,824
Total	150,366	108,057

Revenue decreased by approximately RM42.3 million or 28.1% from approximately RM150.4 million in FP2018 to RM108.1 million in FY2019. This was mainly due to the longer 15 months period for FP2018 compared to 12 months period for FY2019. Kitchen appliances, equipment and related services and cleanroom and laboratories segment decline in revenue as less projects were awarded and certain major projects were completed in FP2018.

Cost of sales and gross profit

	FP2018 RM'000	FY2019 RM'000
Continuing operations	82,061	60,560
Discontinued operations	28,386	18,944
Total	110,447	79,504

Cost of sales decreased by approximately RM30.9 million or 28% from approximately RM110.5 million in FP2018 to approximately RM79.5 million in FY2019 corresponding with the decreased in revenue. The gross profit margin for FY2019 is 26.4%, consistent with 26.5% in FP2018.

Other income

	FP2018 RM'000	FY2019 RM'000
Continuing operations	985	1,304
Discontinued operations	126	135
Total	1,111	1,439

Other income increased by approximately RM0.3 million in FY2019 from approximately RM1.1 million in FP2018 to approximately RM1.4 million in FY2019 mainly due to the increase in rental income by approximately RM0.3 million partially offset by decrease of insurance claim of approximately RM0.2 million.

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

Other gains & losses

	FP2018 RM'000	FY2019 RM'000
Continuing operations	(964)	310
Discontinued operations	(915)	806
Total	<u>(1,879)</u>	<u>1,116</u>

Other gains and losses increased by approximately RM3.0 million in FY2019 from a loss of approximately RM1.9 million in FP2018 to a gain of approximately RM1.1 million in FY2019 mainly due to the Group incurred a foreign exchange loss of approximately RM1.2 million in FP2018 whereas the Group recorded a foreign exchange gain of approximately RM0.8 million in FY2019, reduction in net impairment loss of financial assets by approximately RM0.6 million.

Selling and distribution expenses

	FP2018 RM'000	FY2019 RM'000
Continuing operations	6,617	5,349
Discontinued operations	4,112	2,562
Total	<u>10,729</u>	<u>7,911</u>

Selling and distribution expenses decreased by approximately RM2.8 million or 26.3% from approximately RM10.7 million in FP2018 to approximately RM7.9 million in FY2019. This was mainly due to the longer 15 months period for FP2018 compared to 12 months period for FY2019 and significant decline in carriage outward expenses for oil and gas segment after it has been disposed.

Administrative expenses

	FP2018 RM'000	FY2019 RM'000
Continuing operations	18,073	14,502
Discontinued operations	2,544	1,424
Total	<u>20,617</u>	<u>15,926</u>

Administrative expenses decreased by approximately RM4.7 million or 22.7% from approximately RM20.6 million in FP2018 to approximately RM15.9 million in FY2019. This was mainly due to the longer 15-month period for FP2018 compared to 9 months for FY2019 prior to the disposal of the oil and gas which classified under discontinued operations.

Finance expenses

	FP2018 RM'000	FY2019 RM'000
Continuing operations	3,170	2,887
Discontinued operations	933	606
Total	<u>4,103</u>	<u>3,493</u>

Finance expenses decreased by approximately RM0.6 million or 14.9% from approximately RM4.1 million in FP2018 to approximately RM3.5 million in FY2019. This was mainly due to the longer 15 months period for FP2018 compared to 12 months for FY2019.

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

Share of profit of associated companies

The Group has a share of profit from its associated companies of approximately RM150,000 in FY2019 for 4 months period following the completion of disposal of 60% equity interest in a subsidiary operation and which became an associated company to the Group during the FY2019.

FP2018 versus FY2016

Due to the change of financial year end, the changes in income and expenses between the 15-months financial period from 1 January 2017 to 31 March 2018 (“**FP2018**”) are compared against the 12-months financial year from 1 January 2016 to 31 December 2016 (“**FY2016**”).

Revenue

	FY2016	FP2018
	RM'000	RM'000
Continuing operations (FY2016 Unaudited)		
OEM contract	32,772	39,157
Kitchen appliances, equipment and related services	42,432	54,723
Cleanroom and laboratories	8,783	17,999
	83,987	111,879
Discontinued operations (FY2016 Unaudited)		
Oil and gas	8,753	38,487
Total	92,740	150,366

Revenue increased by approximately RM57.7 million or 62.1% from approximately RM92.7 million in FY2016 to RM150.4 million in FP2018. This was mainly due to the longer 15 months period for FP2018 compared to 12 months period for FY2016. There was also an increase in sales demand and more projects secured in the oil and gas segment, OEM contract manufacturing segment, cleanroom and laboratories segment and kitchen appliances, equipment and related services segment, recording an increase of RM29.7 million, RM6.4 million, RM9.2 million and RM12.3 million respectively.

Cost of sales and gross profit

	FY2016	FP2018
	RM'000	RM'000
Cost of Sales		
Continuing operations (FY2016 Unaudited)	61,050	82,061
Discontinued operations (FY2016 Unaudited)	6,505	28,386
Total	67,555	110,447

Cost of sales increased by approximately RM42.8 million or 63.5% from approximately RM67.6 million in FY2016 to approximately RM110.4 million in FP2018 corresponding with the increase in revenue. The gross profit margin for FP2018 is 26.5%, consistent with 27.2% in FY2016.

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

Other income

	FY2016	FP2018
	RM'000	RM'000
Continuing operations (FY2016 Unaudited)	606	985
Discontinued operations (FY2016 Unaudited)	45	126
Total	651	1,111

Other income increased by approximately RM0.4 million or 70.7% in FP2018 from approximately RM0.7 million in FY2016 to approximately RM1.1 million in FP2018 due mainly to an insurance claim of approximately RM0.3 million.

Other gains & losses

	FY2016	FP2018
	RM'000	RM'000
Continuing operations (FY2016 Unaudited)	(177)	(964)
Discontinued operations (FY2016 Unaudited)	242	(915)
Total	65	(1,879)

Other gains and losses decreased by approximately RM1.8 million in FP2018 from a gain of approximately RM0.1 million in FP2016 to a loss of approximately RM1.9 million in FY2019 mainly due to the Group incurred a foreign exchange loss of approximately RM1.2 million in FP2018 whereas the Group recorded a foreign exchange gain of approximately RM0.2 million in FY2016 and increase in net impairment loss of financial assets by approximately RM0.8 million.

Selling and distribution expenses

	FY2016	FP2018
	RM'000	RM'000
Continuing operations (FY2016 Unaudited)	4,746	6,617
Discontinued operations (FY2016 Unaudited)	699	4,112
Total	5,445	10,729

Selling and distribution expenses increased by approximately RM5.3 million or 49.5% from approximately RM5.4 million in FY2016 to approximately RM10.7 million in FP2018. This was due mainly to the increase in carriage outward expenses of approximately RM3.5 million as a result of an increase in export sales for oil and gas customers and an increase and due to the longer 15 months period for FP2018 compared to 12 months period in FY2016.

Administrative expenses

	FY2016	FP2018
	RM'000	RM'000
Continuing operations (FY2016 Unaudited)	14,116	18,073
Discontinued operations (FY2016 Unaudited)	1,750	2,544
Total	15,866	20,617

Administrative expenses increased by approximately RM4.7 million or 29.9% from approximately RM15.9 million in FY2016 to approximately RM20.6 million in FP2018. This was due mainly to the longer 15 months period for FP2018 compared to 12 months for FY2016, and, therefore, the increase in staff cost of approximately RM3.5 million.

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

Finance expenses

	FY2016 RM'000	FP2018 RM'000
Continuing operations (FY2016 Unaudited)	2,182	3,170
Discontinued operations (FY2016 Unaudited)	766	933
Total	2,948	4,103

Finance expenses increased by approximately RM1.2 million or 39.2% from approximately RM2.9 million in FY2016 to approximately RM4.1 million in FP2018. This was due mainly to the longer 15 months period for FP2018 compared to 12 months for FY2016 and higher utilisation of bills payables and bank overdraft facilities to pay suppliers and operating expenses.

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 recent completed financial year for which audited financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of financial position of the Group as at 31 March 2019

	As at 31/3/2019 audited RM'000
ASSETS	
Current assets	
Cash and bank balances	7,834
Trade and other receivables	27,762
Inventories	21,264
Other current assets	6,879
Income tax recoverable	328
	64,067
Non-current assets	
Property, plant and equipment	39,924
Investment properties	3,741
Investments in associated companies	1,891
	45,556
Total assets	109,623

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

	As at 31/3/2019 audited RM'000
LIABILITIES	
Current liabilities	
Trade and other payables	13,392
Borrowings	36,150
	49,542
Non-current liabilities	
Borrowings	15,735
Deferred income tax liabilities	7
	15,742
Total liabilities	65,284
NET ASSETS	44,339
EQUITY	
Capital and reserves attributable to equity holders of the Company	
Share capital	26,862
Retained earnings	16,935
Currency translation reserve	(61)
	43,736
Non-controlling interests	603
Total equity	44,339

6. The data referred to in paragraph 5 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and 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; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

	As at 31/3/2019 Audited
Before the Rights Issue	
NAV attributable to Shareholders (RM'000)	44,339
Number of Shares before the Rights Issue	90,000,000
NAV per Share (Malaysian sen)	49.27
After the Rights Issue (under the Maximum Scenario)	
NAV attributable to Shareholders (RM'000)	49,111
Number of Shares after Rights Issue	112,500,000
NAV per Share after the Rights Issue (Malaysian sen)	43.65

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

	As at 31/3/2019 Audited
After the Rights Issue (under the Minimum Scenario)	
NAV attributable to Shareholders (RM'000)	47,603
Number of Shares after Rights Issue	105,391,186
NAV per Share after the Rights Issue (Malaysian sen)	45.17

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 recent completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated cash flow statement of the Group for the period 1 April 2018 to 31 March 2019 is set out below:

	FY2019 Audited RM'000
Cash flows from operating activities	
Net profit	2,893
Adjustments for:	
- Income tax expense	1,035
- Depreciation of property, plant and equipment	3,922
- Depreciation of investment properties	59
- Gain on disposal of property, plant and equipment	(485)
- Share of profit of associated companies	(150)
- Loss on disposal of a subsidiary corporation	11
- Interest income	(42)
- Interest expense	3,493
Change in working capital, net effect from disposal of a subsidiary corporation	10,736
- Trade and other receivables	(9,884)
- Inventories	(2,408)
- Other current assets	(2,076)
- Trade and other payables	9,132
- Bills payable	1,735
Cash generated from operations	7,235
Interest paid	(2,355)
Interest received	33
Income tax paid	(747)
Net cash provided by operating activities	4,166

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

	FY2019 Audited RM'000
Cash flow from investing activities	
Additions to property, plant and equipment	(2,210)
Additions to investment properties	(15)
Proceeds from disposals of property, plant and equipment	509
Disposal of a subsidiary corporation, net of cash disposed of	2,004
Net cash provided by investing activities	288
Cash flows from financing activities	
Short-term bank deposits pledged	(33)
Proceeds from bank borrowings	25
Repayment of bank borrowings	(1,807)
Repayment of finance lease liabilities	(3,204)
Interest paid	(1,138)
Net cash used in financing activities	(6,157)
Net (decrease) in cash and cash equivalents	(1,703)
Cash and cash equivalents at beginning of financial period	(2,361)
Cash and cash equivalents at end of financial period	(4,064)

FY2019

Cash Flow from Operating Activities

The Group generated a net cash provided by operating activities of approximately RM4.2 million. This was derived from operating profit before working capital changes of approximately RM10.7 million, adjusted by net working capital outflow of approximately RM3.5 million, net interest paid of approximately RM2.3 million and net income tax paid of approximately RM0.7 million.

Cash Flow from Investing Activities

Net cash provided by investing activities amounted to approximately RM0.3 million was due mainly to the proceeds received from disposal of property, plant and equipment of approximately RM0.5 million and net of cash disposal of a subsidiary of approximately RM2.0 million, off-set by the purchase of property, plant and equipment and investment properties of approximately RM2.2 million.

Cash Flow from Financing Activities

Net cash used in financing activities amounted to approximately RM6.2 million was due mainly to the repayment of term loan and finance lease liabilities which included interest payment.

-
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 lodgement 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 lodgement 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.**
-

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

In the reasonable opinion of the Directors, after taking into consideration the present bank facilities and operating cash flows of the Group the working capital available to the Group as at the date of lodgement of this Offer Information Statement is sufficient to meet its present requirements.

-
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).**
-

To the best of the Directors' knowledge and belief as at the Latest Practicable Date, the Directors are not aware of any breach by any entity in the Group of any 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 Group.

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 would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**
-

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" of this Offer Information Statement for further details.

Barring unforeseen circumstances and the risks factors described under section "Risk Factors" above occurring, the Directors are of the view that the outlook for the Group's businesses for the next 12 months remains challenging due to competitive pressures within the industry and present economic outlook in both locally and globally. The Group will continue to explore opportunities to expand its business in all segments both locally and abroad, via the development of new products, strategic investments and acquisitions, to grow the Group's revenue. The Group will also continue efforts in controlling costs and reducing overheads to streamline operations to improve overall efficiency.

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Save as disclosed in this Offer Information Statement, the Company's annual reports and public announcements, and barring unforeseen circumstances, the Directors are not aware of any known trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that may cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition.

- 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.**
-

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

- 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.**
-

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

- 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.**
-

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

- 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 referred to 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 referred to 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.**
-

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

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

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 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.

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

SIGNIFICANT CHANGES

16. Disclose any event that has occurred from the end of –
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,
- to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement or as may have been publicly announced by the Company via SGXNET, the Directors are not aware of any event that has occurred since 31 March 2019 up to the Latest Practicable Date which has not been publicly announced which may have a material effect on the Group’s financial position and results.

MEANING OF “PUBLISHED”

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

Noted.

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

PART VI – THE OFFER AND LISTING

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 lodgement 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.**
-

The Issue Price for each Rights Share is S\$0.07, payable in full upon acceptance and/or application.

The expenses incurred in the Rights Issue will not be specifically charged to the subscribers of the Rights Shares.

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.**
-

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

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.

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

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

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 first-mentioned 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 first-mentioned 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**

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

- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities 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 first-mentioned 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 are not regularly traded on the securities exchange.

-
- (a) The highest and lowest traded prices and volume of the Shares traded on Catalist during each of the last twelve (12) calendar month immediately preceding the Latest Practicable Date and for the period from 1 September 2019 to the Latest Practicable Date are as follows:

Month	High Price (S\$)	Low Price (S\$)	Volume of Shares Traded
September 2018	0.070	0.040	9,900
October 2018	0.090	0.090	900
November 2018	*	*	*
December 2018	*	*	*
January 2019	*	*	*
February 2019	*	*	*
March 2019	0.100	0.100	74,000
April 2019	*	*	*
May 2019	*	*	*
June 2019	0.06	0.03	220,000
July 2019	0.04	0.04	35,000
August 2019	0.05	0.05	25,000
1 September 2019 up to the Latest Practicable Date	0.039	0.030	69,100

* There were no trades done for the Shares on Catalist during this period
 Source: Bloomberg

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

- (b) Not applicable. The Shares have been listed on Catalist for more than twelve (12) months immediately preceding the Latest Practicable Date.
- (c) There has been no significant trading suspension of the Shares on Catalist during the three (3) years immediately preceding the Latest Practicable Date.
- (d) Please refer to paragraph 4(a) of this Part VI for the volume of Shares traded for the period from 1 September 2018 to the Latest Practicable Date. Based on the information set out therein, the Shares are not regularly traded on Catalist.

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**
- (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.**

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

The Rights Shares are to be issued pursuant to the general share issue mandate granted by Shareholders at the annual general meeting held on 26 July 2019.

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.

Basis of provisional allotment : The Rights Issue is made on a renounceable non-underwritten basis by the Company of up to 22,500,000 Rights Shares at the Issue Price of S\$0.07 on the basis of one (1) Rights Share for every four (4) existing Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

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 issued Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

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Entitled Shareholders : Entitled Shareholders are at liberty to accept, decline, renounce or, in the case of Entitled Depositors only, trade on Catalist (in full or in part) during the rights trading period prescribed by the SGX-ST, their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

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

In the allotment of excess Rights Shares, 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 Issue, or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for rounding of odd lots and allotment of excess Rights Shares.

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

Terms and Conditions : The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions set out in this Offer Information Statement, including Appendices A to C of this Offer Information Statement, the PAL, the ARE and the ARS.

The Rights Shares are not underwritten and are not offered through any broker or dealer. However, the Company has obtained the Irrevocable Undertaking from the Undertaking Shareholder in respect of its entitlement of Rights Shares.

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

Not applicable. The Rights Issue is not underwritten.

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

PART VII – ADDITIONAL INFORMATION

STATEMENTS BY EXPERTS

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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 attributed to a person as 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 written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
-

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

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

CONSENTS FROM ISSUE MANAGERS AND UNDERWRITERS

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

Not applicable. No issue manager or underwriter has been appointed in relation to the Rights Issue.

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

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.**
-

Saved as disclosed in this Offer Information Statement and to the best of their knowledge, the Directors are not aware of any other matters not disclosed under any other paragraph of this Offer Information Statement which could materially affect, directly or indirectly, the Company’s business operations or financial position or results or investments by the holders of securities in the Company.

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

Not applicable.

PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

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PART X – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. Provide –

- (a) the particulars of the rights issue;
- (b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;
- (c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;
- (d) the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;
- (e) the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;

-
- (a) Please refer to the section “**Principal Terms of the Rights Issue**” of this Offer Information Statement.
 - (b) The last date and time for the splitting of the provisional allotment of the Rights Shares is on 11 October 2019 at 5:00 p.m.
 - (c) The last date and time for acceptance of and payment for the Rights Shares is on 17 October 2019 at 5:00 p.m.
 - (d) The last date and time for acceptance of and payment by the renounee for the Rights Shares is on 17 October 2019 at 5:00 p.m.
 - (e) The terms and conditions of the Rights Issue are as set out in this Offer Information Statement, including Appendices A to C, and in the PAL, the ARE and the ARS.

-
- (f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and
-

As at the Latest Practicable Date, Triumphant Hope Sdn. Bhd. a controlling shareholder, holds 61,564,747 Shares (“**Existing Shareholding**”), representing approximately 68.41% of the Company’s existing issued share capital. Triumphant Hope provided an irrevocable undertaking to the Company, *inter alia*, to subscribe and/or instruct and procure the subscription of its entitlement to the Rights Shares under the Rights Issue based on its Existing Shareholding as at the date of the Irrevocable Undertaking.

The Irrevocable Undertaking provides for, among other things, the following undertakings:

- (a) as at the date of this Irrevocable Undertaking, the Undertaking Shareholder holds, an aggregate of sixty-one million, five hundred and sixty-four thousand, seven hundred and forty-seven (61,564,747) Shares, representing approximately (68.41%) of the existing issued share capital of the Company. Based on the terms of the Rights Issue, the Undertaking Shareholder will be entitled to subscribe for up to 15, 391,186 Rights Shares pursuant to the Rights Issue;

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

- (b) as at the date of the Irrevocable Undertaking, the Undertaking Shareholder has sufficient funds in the sum of at least S\$1,077,383 (“**Minimum Funds**”) standing to its credit in its bank account maintained with the Public Bank of Malaysia, and that it will not dispose of and will maintain the Minimum Funds in freely transferable and fungible amounts in the Bank Account until the closing date of the Rights Issue;
- (c) the board of directors (of the Undertaking Shareholder) has passed a written resolution dated 4 June 2019 that no transaction in Bank Account shall be effected by any of its authorised signatories which will result in the cash balance standing to its credit in the Bank Account to be less than the Minimum Funds prior to the closing date of the Rights Issue;
- (d) by the closing date of the Rights Issue, the Undertaking Shareholder will:
 - (i) subscribe and/or instruct and procure the subscription of, the Undertaking Shareholder’s pro-rata entitlement to the Rights Shares under the Rights Issue based on the Undertaking Shareholder’s Existing Shareholding as at the date of the Irrevocable Undertaking;
 - (ii) do all things and execute all such documents as are reasonably necessary to effect the undertakings stated in paragraph (d)(i) above, on the terms of the Irrevocable Undertaking and on the terms of the Offer Information Statement and any accompanying document that will be lodged with the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore in respect of the Rights Issue;
- (e) as at the Books Closure Date, the Undertaking Shareholder’s registered shareholding shall not change from the Existing Shareholding; and
- (d) not later than the closing date of the Rights Issue, the Undertaking Shareholder will pay and/or procure the payment for such number of Rights Shares, which the Undertaking Shareholder has undertaken to subscribe as set out in paragraph (d)(i) above on the terms of the Irrevocable Undertaking, read together with the terms of this Offer Information Statement.

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Irrevocable Undertaking and the savings in costs by the Company as no underwriting fees will be payable.

PART XI – ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION STATEMENT FOR THE PURPOSE OF SECTION 277(1A)(A)(I) OF THE SFA

Not applicable, as the securities by way of the Rights Issue proposed to be issued by the Company whose Shares are already are listed for quotation on the SGX-ST.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE CATALIST RULE**

WORKING CAPITAL

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

The working capital of the Group for FY2016, FP2018 and FY2019 are as follows:

	31 December 2016	Audited 31 March 2018	31 March 2019
	(RM'000)	(RM'000)	(RM'000)
Current Assets	68,032	85,156	64,067
Current Liabilities	52,476	67,050	49,542
Working Capital	15,556	18,106	14,525

A review of the working capital of the Group as at 31 December 2016, 31 March 2018 and 31 March 2019 are set out below:

31 March 2019 versus 31 March 2018

Current asset comprises trade and other receivables, inventories, other current assets, income tax recoverable and cash and bank balances. The decreased is mainly due to disposal of 60% stake in its wholly-owned subsidiary, Marc Conleth Industries Sdn Bhd.

Current liabilities comprise of trade and other payables and borrowings. The decreased is mainly due to the followings:

- Disposal of 60% stake in its wholly owned subsidiary, Marc Conleth Industries Sdn Bhd.
- Increase in other payables of approximately RM1.4 million which arising from loan amount of approximately RM1.6 million, due to associated company.
- Decrease in Bank overdraft and bank loan of approximately RM1.9 million as a term loan was fully settled during the FY2019.

31 March 2018 versus 31 December 2016

Current asset comprises of trade and other receivables, inventories, other current assets, income tax recoverable, cash and bank balances and assets held-for-sale. The increased is mainly due to the followings:

- Increase in trade receivables of approximately RM10.2 million which is in line with the increase in revenue.
- Increase in other receivables of approximately RM1.1 million mainly due to GST receivables of approximately RM0.4 million arising from tax relief and advance payment to supplier for the purchase of trucks of approximately RM0.2 million
- Increase in other current assets of approximately RM3.7 million mainly due to deposit and advance payment for professional fee and renovation of new outlet and advance payment to purchase of inventories of approximately RM1.6 million and RM1.3 million respectively.
- Decrease in inventories of approximately RM2.3 million mainly due to improved logistical processes that has effectively reduced turnaround time from production to delivery of goods especially to customers from the oil and gas segment and OEM contract manufacturing segments and inventories written off of approximately RM0.6 million.

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

- Decrease in income tax recoverable by approximately RM0.6 million mainly due to certain overpaid tax that has been refunded by the local tax authorities.

Current liabilities comprise trade and other payables, borrowings and liabilities held-for-sale. The increase is mainly due to the followings:

- Trade payables increased by approximately RM3.1 million from approximately RM10.3 million as at 31 December 2016 to approximately RM13.4 million as at 31 March 2018 corresponding to the increase in purchases of raw materials and trading products. Other payables increased by approximately RM1.8 million from approximately RM7.3 million as at 31 December 2016 to approximately RM9.1 million as at 31 March 2018 mainly due to higher accrual purchase of approximately RM1.3 million and higher GST payables of approximately RM0.2 million
- Current borrowings increased by approximately RM9.3 million mainly due to classification of the non-current borrowing to current borrowing under liabilities held-for-sale for the disposal of 60% stake in its wholly owned subsidiary, Marc Conleth Industries Sdn Bhd.

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 Catalist Rules.**
- (ii) **Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable. The Rights Issue does not involve an issue of convertible securities and will not be underwritten.

3. **A statement by the issue 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 issue manager and 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 it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.**

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

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

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application 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, refer to an application made via the SGX-SFG Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). If an Entitled Depositor has Broker-linked Balance(s) and there are Rights Shares provisionally allotted to the Entitled Depositor in the Broker-linked Balance, a separate ARE will be issued for the number of Rights Shares 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 as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue, 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 and payment for excess Rights Shares are set out in the Offer Information Statement as well as the ARE.

Entitled Depositors should note that any provisional allotments of Rights Shares in a Broker-linked Balance which are accepted and (if applicable) any excess Rights Shares credited pursuant to applications for excess Rights Shares 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 specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the “Free Balance” of your Securities Account 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 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 MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES THROUGH CDP (OTHER THAN FOR PROVISIONAL ALLOTMENTS OF RIGHTS SHARES IN AN ENTITLED DEPOSITOR’S BROKER-LINKED BALANCE). 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.

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

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

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder 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.

- 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 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 held in the Broker-linked Balance and apply for excess Rights Shares 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 held in a Broker-linked Balance and whether the Entitled Depositor has authorised the acceptance of the provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares.
- 1.6 Details on the acceptance for provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares (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 in an Entitled Depositor's Broker-linked Balance and application for excess Rights Shares for a Broker-linked Balance are set out in paragraphs 5 to 7 of this Appendix A.

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

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

2.1 Acceptance/Application through CDP

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

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/ Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:
 - (i) by hand to **MSM INTERNATIONAL 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 **MSM INTERNATIONAL 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 17 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 accepted and (if applicable) excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — MSM 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.

2.2 Acceptance through the SGX-SFG Service (for Depository Agents only)

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

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

2.3 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 accepted by the Entitled Depositor and (if applicable) the excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 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 in relation to the Rights Issue.

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

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

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

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

2.5 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 17 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. You may obtain a copy from The Central Depository (Pte) Limited and apply for the Rights Shares and (if applicable) apply for Excess Rights Shares in the prescribed manner as described in paragraph 2.1 above.

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

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

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

2.6 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least 3 Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 17 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. COMBINATION APPLICATION

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

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

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING ORDINARY SHARE AT AN ISSUE PRICE OF S\$0.07)

As an illustration, if an Entitled Depositor has 40,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 10,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

- (a) Accept his entire provisional allotment of 10,000 Rights Shares and (if applicable) apply for excess Rights Shares.

- (1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 10,000 Rights Shares and (if applicable) the number of excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$700.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — MSM 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 **MSM INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **MSM INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 17 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 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.

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

Alternatives	Procedures to be taken
(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST.	(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in (a) (1) above, to CDP, so as to arrive not later than 5.00 p.m. on 17 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 9,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.
(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, 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 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in alternative (b)(1) above to CDP so as to arrive not later than 5.00 p.m. on 17 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 9,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through CDP by 5.00 p.m. on 17 OCTOBER 2019 .

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 accepted and (if applicable) any excess Rights Shares credited pursuant to applications for excess Rights Shares 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 in a Broker-linked Balance and (if applicable) apply for excess Rights Shares for his Broker-linked Balance through CDP, he must:

- (a) complete and sign the ARE in respect of the Rights Shares 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 provisionally allotted to him which he wishes to accept and the number of excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/ Banker's Draft; and

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

- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:
- (i) by hand to **MSM INTERNATIONAL 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 **MSM INTERNATIONAL 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 17 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 accepted and (if applicable) excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — MSM 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.

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 in a Broker-linked Balance linked to the Member Company and (if applicable) apply for Excess Rights Shares 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 accepted by the Entitled Depositor and (if applicable) the excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 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 in relation to the Rights Issue.

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

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 5.1 above to CDP.

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The balance of his provisional allotment of Rights Shares in a Broker-linked Balance 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 on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. 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 (“**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 by Member Company

A Member Company may trade all or part of the provisional allotment of Rights Shares 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 by the Member Company and whether the Entitled Depositor has authorised sale of the provisional allotment of Rights Shares by the Member Company.

5.6 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in 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 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 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 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 which they wish to renounce, and CDP shall only process the transfer forms for such renunciation only after such provisional allotments of Rights Shares 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 for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 17 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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5.7 Transfers of Provisional Allotments of Rights Shares from a Broker-linked Balance of the Entitled Depositor's Securities Account

Entitled Depositors who wish to transfer their provisional allotments of Rights Shares 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 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 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 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 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 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. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the Entitled Depositor is **5.00 p.m. on 17 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 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 17 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).

An Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares 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 in connection with his acceptance of such provisional allotments of Rights Shares 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 in a Broker-linked Balance by way of the ARE and/or the ARS and/or has applied for excess Rights Shares by way of the ARE, and the Member Company linked to such Broker-linked Balance also accepts any provisional allotment of Rights Shares in the Broker-linked Balance and/or applies for excess Rights Shares 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 provisionally allotted to him and/or application for excess Rights Shares 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.

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7. ILLUSTRATIVE EXAMPLES FOR RIGHTS SHARES PROVISIONALLY ALLOTTED TO A BROKER-LINKED BALANCE (ASSUMPTION: ON THE BASIS OF FOUR (4) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE AT AN ISSUE PRICE OF S\$0.07)

As an illustration, if an Entitled Depositor has 40,000 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 10,000 Rights Shares 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:

Alternatives

(a) Accept his entire provisional allotment of 10,000 Rights Shares in the Broker-linked Balance and (if applicable) apply for excess Rights Shares for the Broker-linked Balance.

Procedures to be taken

(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 10,000 Rights Shares in the Broker-linked Balance and (if applicable) the number of excess Rights Shares applied for the Broker-linked Balance and forward the original signed ARE together with a single remittance for S\$700.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — MSM 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 **MSM INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **MSM INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 17 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 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.

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.

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Alternatives

(b) Accept a portion of his provisional allotment of Rights Shares in the Broker-linked Balance, for example 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST.

Procedures to be taken

(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares in the Broker-linked Balance, and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in alternative (a)(1) above, to CDP, so as to arrive not later than 5.00 p.m. on **17 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 9,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, 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 1,000 Rights Shares in the Broker-linked Balance and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 17 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 9,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through CDP by **5.00 p.m. on 17 OCTOBER 2019**.

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 IN RELATION TO THE RIGHTS ISSUE IS 5.00 P.M. ON 17 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 IS MADE THROUGH CDP OR SGX-SFG SERVICE.

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If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through CDP by **5.00 p.m. on 17 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) from any Entitled Depositor or Purchaser or Member Company (in respect of a Broker-linked Balance), the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, 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 and/or applying for excess Right Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

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8.3 Availability of Excess Rights Shares

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

If no excess Rights Shares are allotted or if the number of excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors or Member Companies (in respect of applications for Rights Shares 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, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for excess Rights Shares through CDP)

8.4 Deadlines

It should be particularly noted that unless:

- (a) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — MSM 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 **MSM INTERNATIONAL 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 MSM INTERNATIONAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147 by 5.00 p.m. on 17 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) 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 is effected by **5.00 p.m. on 17 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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the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers 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.

8.5 Certificates

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

8.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

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

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

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters.

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**.

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

1. INTRODUCTION

Acceptances of the provisional allotment of and any excess application for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and form 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

The provisional allotments of the Rights Shares and application for excess Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the enclosed PAL. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlement(s), if any, having been disregarded). Entitled Scripholders may accept their provisional allotments in full or in part and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

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, (if applicable) the Constitution of the Company and/or any other application form for the Rights Shares in relation to the Rights 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 in relation to the Rights 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 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 it may deem fit.

The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application for excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled 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 and (if applicable) application for excess Rights Shares.

THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

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

Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares through Catalist will be effected under the book entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on Catalist.

Unless expressly provided to the contrary in this Offer Information Statement or the PAL with respect to enforcement against Entitled Scripholders or their renounees, a person who is not a party to any contract made pursuant to this Offer Information Statement 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 or to accept any part of it and decline the balance, should complete and sign Form A of the PAL for the number of Rights Shares which they wish to accept and forward the PAL at their own risk, in its entirety, together with payment in the prescribed manner to **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544 so as to arrive not later than **5:00 p.m. on 17 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 B 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 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, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier’s Order or Banker’s Draft drawn on a bank in Singapore.

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

Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments in favour of more than one (1) person, should first, using Form B, request to have their provisional allotments under the PAL split into separate PALs (the “**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 their own risk, to **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544, so as to arrive not later than **5:00 p.m. on 17 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). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5:00 p.m. on 17 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).

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

The Company reserves the right to reject any request for Split Letters if, in the opinion of the Directors, the Rights Shares requested for in the Split Letters are in unreasonable denominations. The surrender of the PAL purported to be signed by an Entitled Scripholder shall be conclusive evidence in favour of the Company, the Share Registrar and any other person involved in the Rights Issue of the title of the person(s) lodging it, or on whose behalf it is lodged, to deal with the same and to receive Split Letter(s) and to have credited to that person's Securities Account with CDP the Rights Shares allotted to him or, if relevant, to receive physical share certificate(s) and/or to receive any statement from CDP and/or refund of acceptance or application monies. Instructions relating to acceptance, payment, renunciation, nomination and consolidation set out in the PAL shall apply to the Split Letters received consequent upon the original provisional allotment of Rights Shares being split.

The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing 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 they intend to accept, if any, and forward the said Split Letter(s) together with payment in the prescribed manner to **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544, so as to arrive not later than **5:00 p.m. on 17 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).

An Entitled Scripholder who wishes to renounce his entire provisional allotment 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 allotment of Rights Shares which he wishes to renounce and deliver the PAL in its entirety to the renounee(s).

4. FORM OF NOMINATION (FORM D)

The renounee(s) should complete and sign Form D and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544, not later than **5:00 p.m. on 17 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. CONSOLIDATION OF RIGHTS SHARES

Each Entitled Scripholder may consolidate the Rights Shares 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 hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete 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).

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

6. PAYMENT

Unless acceptance and payment for the full amount due on acceptance in relation to PALs made in Singapore currency is in the form of a Banker's Draft or Cashier's Order drawn on a bank in Singapore and made payable to "**MSM INTERNATIONAL LIMITED**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written on the reverse side of the remittance is received by **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544, **by 5:00 p.m. on 17 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 shall be deemed to have been declined and shall forthwith lapse and become void. Such provisional allotments of Rights Shares 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 renounee(s), as the case may be, without interest or share of revenue or benefit arising therefrom within fourteen (14) days after the Closing Date.

ACCEPTANCES ACCOMPANIED BY ANY OTHER FORM OF PAYMENT (INCLUDING THE USE OF A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE REJECTED.

7. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

Entitled Scripholders who wish to apply for excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Form E of the PAL and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Rights Shares applied for in the form and manner set out above, by post in the self-addressed envelope provided, at their own RISK, TO **MSM INTERNATIONAL LIMITED C/O THE SHARE REGISTRAR**, BACS Private Limited, 8 Robinson Road, #03-00, ASO Building, Singapore 048544, so as to arrive not later than **5:00 p.m. on 17 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 POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

Applications for excess Rights Shares by Entitled Scripholders are subject to the terms and conditions contained in the PAL, Form E and this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares will, at the Directors' discretion, be satisfied from such Rights Shares as are not validly taken up, the unsold "**nil-paid**" provisional allotments (if any) of Foreign Shareholders, the aggregated fractional entitlements and any Rights Shares that are otherwise not allotted for any reason. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to allot the excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to reject or refuse, in whole or in part, any application for excess Rights Shares without assigning any reason thereof. In the event that the number of excess Rights Shares allotted to an applicant is less than the number of excess Rights Shares applied for, such applicant shall be deemed to have accepted the number of excess Rights Shares actually allotted to him.

If no excess Rights Shares are allotted to Entitled Scripholders or if the number of excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application for excess Rights Shares or the surplus application monies, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date, by **ORDINARY POST** and at their **own risk**.

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

8. GENERAL

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

Entitled Scripholders who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Upon listing and quotation on Catalist, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through Catalist 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.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on Catalist 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 order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for excess Rights Shares and have their Rights Shares 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 allotted to them and if applicable, the excess Rights Shares 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 Catalist under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

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, and neither the CDP nor the Company shall be liable to the Entitled Scripholder for any loss or in any way whatsoever.

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

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5:00 P.M. ON 17 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).

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

9. PERSONAL DATA PRIVACY

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

APPENDIX C – PROCEDURE TO COMPLETE ARE AND ARS

PROCEDURE TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares
currently held by you

XX,XXX

Shares as at
30 September 2019
(Record Date)

Number of Rights
Shares provisionally
allotted*

XX,XXX

Issue Price

S\$0.07 per Rights Share

This is your
shareholdings as at
Record Date.

This is the date to
determine your rights
entitlements.

This is your number of
rights entitlements

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

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. Mail Complete section below and submit this form to **CDP by 17 October 2019** at 5.00 p.m.

- (i) Only BANKER'S DRAFT/CASHIER'S ORDER payable to "**CDP – MSM 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
CDP.

This is the payee name
to be issued on your
Cashier's Order where
"**CDP – MSM RIGHTS
ISSUE ACCOUNT**" 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, and payee name on the Banker's Draft/Cashier's Order.

APPENDIX C – PROCEDURE TO COMPLETE ARE AND ARS

C. DECLARATION

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

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

				,					,			
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2. Cashier's Order/Banker's Draft
(Input last 6 digits of CO/BD)

--	--	--	--	--	--	--

Signature of Shareholder(s)

Date

Fill in the total number of Rights Shares and excess Rights Shares (ARE) number of Rights Shares (ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of the CO/BD number (eg.001723) within the boxes.

Sign within the box.

Notes:

- (i) If the total number of 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 Banker's Draft/Cashier's Order per application form.

3. Sample of a Cashier's Order

CASHIER'S ORDER

DATE
DD / MM / YY

PAY CDP - ████ RIGHTS ISSUE ACCOUNT

OR ORDER

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

S\$ 7,600.00

BANK REF. : 01050B5000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

001764 7 7 1 1051 1050999997

This Offer Information Statement is dated 3009 2019.

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

Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of
MSM INTERNATIONAL LIMITED

CHAN KEE SIENG

CHAN WEN CHAU

CHAN KIT MOI

LEOW WEE KIA CLEMENT

LEE KEAN CHONG

WONG KOK SEONG