

OFFER INFORMATION STATEMENT DATED 18 AUGUST 2014
(Lodged with the Monetary Authority of Singapore on 18 August 2014)

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

A copy of this offer information statement ("**Offer Information Statement**") has been lodged with the Monetary Authority of Singapore (the "**Authority**") for the purposes of the Warrants Issue (as defined below). The Authority assumes no responsibility for the contents of the aforesaid lodged documents. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Warrants (as defined below) and the New Shares (as defined below) being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the Warrants and the New Shares on the mainboard of the SGX-ST subject to certain conditions, including an adequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. Mun Siong Engineering Limited (the "**Company**") may in its absolute discretion waive any of the said conditions in the event that SGX-ST waives compliance of the same. The Warrants and the New Shares will be admitted to the mainboard of the SGX-ST and official quotation is expected to commence after all certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited ("**CDP**") have been dispatched.

However, it should be noted that the Warrants may not be listed and quoted on the mainboard of SGX-ST if there is an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warrant Holders (as defined below) will not be able to trade their Warrants on the SGX-ST.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed herein. Approval in-principle granted by the SGX-ST for admission to the mainboard of the SGX-ST and the dealing in, listing of and quotation for, the Warrants and the New Shares on the mainboard of the SGX-ST are in no way reflective of, and are not to be taken as an indication of the merits of, the Warrants Issue (as defined below), the Warrants, the New Shares, the Company and/or its subsidiaries.

No Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six months after the date of lodgement of this Offer Information Statement.



MUN SIONG ENGINEERING LIMITED

(Company Registration No: 196900250M)
(Incorporated in the Republic of Singapore)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 166,683,200 WARRANTS (THE "WARRANTS") AT AN ISSUE PRICE OF S\$0.0015 FOR EACH WARRANT, WITH EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (THE "NEW SHARE") AT AN EXERCISE PRICE OF S\$0.01 FOR EACH NEW SHARE AND ON THE BASIS OF FOUR (4) WARRANTS FOR EVERY TEN (10) EXISTING ORDINARY SHARES HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "WARRANTS ISSUE")

Manager of the Warrants Issue



HONG LEONG
FINANCE

HONG LEONG FINANCE LIMITED

(Company Registration No: 196100003D)
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for Splitting	:	28 August 2014 at 5.00 p.m.
Last date and time for Acceptance and Payment	:	3 September 2014 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Last date and time for Renunciation and Payment	:	3 September 2014 at 5.00 p.m.
Last date and time for Excess Application and Payment	:	3 September 2014 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

IMPORTANT NOTICE

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

For Entitled Depositors (as defined herein), acceptances of Warrants and/or (if applicable) applications for excess Warrants may be made through CDP or by way of Electronic Applications (as defined herein) at any ATM (as defined herein) of a Participating Bank (as defined herein).

For Entitled Scripholders (as defined herein), acceptances of Warrants and/or (if applicable) applications for excess Warrants may be made through the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd..

For investors who hold Shares through finance companies or Depository Agents or investors who had bought Shares under the CPF Investment Scheme - Ordinary Account (the “CPFIS Members”), acceptances of the Warrants and/or (if applicable) applications for excess Warrants must be done through the respective finance companies, Depository Agents or approved CPF agent banks. Such investors and CPFIS Members are advised to provide their respective finance companies, Depository Agents or approved CPF agent banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance of the Warrants and/or application for excess Warrants made directly through CDP, the Share Registrar and/or the Company, and/or Electronic Applications, will be rejected.

CPFIS MEMBERS SHOULD NOTE THAT THEY CANNOT ACCEPT THE WARRANTS AND (IF APPLICABLE) APPLY FOR EXCESS WARRANTS USING FUNDS FROM THEIR CPF ACCOUNT TO PAY FOR THE ISSUE PRICE OF THE WARRANTS.

The existing Shares of the Company are quoted on the Official List of the SGX-ST.

Persons wishing to subscribe for the Warrants offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, inter alia, the assets and liabilities, profits and losses, financial position, performance, risk factors and prospects of the Company and the Group (as defined herein), and the rights and liabilities attached to the Warrants and the New Shares. They should also 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). It is recommended that such persons seek professional advice from their stockbroker, bank manager, solicitor, accountant and/or other professional advisers before deciding whether to acquire the Warrants 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 Warrants Issue and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement, nor the issue of the Warrants and/or the New 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 document with the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company is not making any representation in this Offer Information Statement to any person regarding the legality of an investment in the Warrants, the New 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 Warrants, the New Shares and/or the Shares.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Warrants under the Warrants Issue and may not be relied upon by any persons, other than the Entitled Shareholders (and their renounees and Purchasers (as defined herein)) to whom these documents have been dispatched by the Company, or for any other purpose.

This Offer Information Statement, including the PAL, the WEWAF and the WAF, may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by or on behalf of anyone in any jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Notwithstanding the above, Shareholders (as defined herein) and any other person 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.

TABLE OF CONTENTS

DEFINITIONS.....	5
ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE WARRANTS ISSUE	12
EXPECTED TIMETABLE OF KEY EVENTS.....	15
TRADING	16
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS	18
TAKE-OVER LIMITS.....	19
SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005	
PART II: IDENTITY OF DIRECTORS, ADVISERS AND AGENTS	20
PART III: OFFER STATISTICS AND TIMETABLE	21
PART IV: KEY INFORMATION	24
PART V: OPERATING AND FINANCIAL REVIEW AND PROSPECTS.....	31
Part VI: THE OFFER AND LISTING.....	49
PART VII: ADDITIONAL INFORMATION.....	53
PART VIII: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES.....	54
PART IX: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES.....	54
PART X: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE.....	55
ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUE UNDER APPENDIX 8.2 OF THE LISTING MANUAL	61
APPENDIX A - TERMS AND CONDITIONS OF WARRANTS	65
APPENDIX B - PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS.....	84
APPENDIX C - ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM.....	95
APPENDIX D - PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS.....	100

DEFINITIONS

For the purposes of this Offer Information Statement, the WEWAF, the WAF and the PAL, the following terms shall, unless the context otherwise requires, have the following meanings: -

“1H2013”	:	Financial period from 1 January 2013 to 30 June 2013
“1H2014”	:	Financial period from 1 January 2014 to 30 June 2014
“Act” or “Companies Act”	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Application” or “Additional Listing Application”	:	The application dated 13 June 2014 for the application for the admission to mainboard of the SGX-ST for the dealing in and the quotation of the Warrants and the New Shares arising from the exercise of the Warrants
“Announcement”	:	The announcement of the Company dated 6 May 2014 in relation to the Warrants Issue
“Approved Bank”	:	Means any bank or merchant bank in Singapore of international repute and selected by the Directors
“ATM”	:	Automated teller machine(s) of a Participating Bank
“Authority”	:	The Monetary Authority of Singapore
“Auditor”	:	The auditor of the Company
“Board” or “Directors”	:	The board of directors or directors of the Company, as at the date of this Offer Information Statement
“Books Closure Date”	:	5.00 p.m. on 15 August 2014, being the time and date, at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the provisional allotments of Warrants of Entitled Shareholders under the Warrants Issue and, in the case of Entitled Depositors, at and on which date their provisional allotments of Warrants under the Warrants Issue are determined
“Brownfield Construction project”	:	This involves the addition of new facilities and equipment into an existing and operational production plant or producing platform. Key characteristics of such works include the performance and coordination of construction activities involving or adjacent to operational facilities and equipment
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	5.00 p.m. on 3 September 2014, 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 Warrants under the Warrants Issue through CDP or the Share Registrar; or 9.30 p.m. on 3 September 2014, 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 Warrants under the Warrants Issue through an ATM of a Participating Bank

“Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
“Company”	:	Mun Siong Engineering Limited
“CPF”	:	Central Provident Fund
“CPF Approved Bank”	:	Any bank appointed by the CPF Board to be a bank for the purpose of the CPF Regulations
“CPF Investment Account”	:	An account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn for, <i>inter alia</i> , payment of the Exercise Price arising from the exercise of each Warrant pursuant to the Warrants Issue
“CPF Regulations”	:	The Central Provident Fund (Investment Schemes) Regulations, as the same may be modified, amended or supplemented from time to time
“Deed Poll”	:	The deed poll to be executed by the Company for the purpose of constituting the Warrants (as the same may be amended or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrant Holders
“De-coking”	:	The process to remove petroleum coke, from equipment
“Electronic Application”	:	Acceptance of the Warrants and (if applicable) application for excess Warrants made through an ATM of one of the Participating Bank in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application through an ATM as set out in this Offer Information Statement or on the ATM screens of the relevant Participating Bank
“Entitled Depositor(s)”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP, and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had at least five (5) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
“Entitled Scripholder(s)”	:	Shareholders whose share certificates had not been deposited with CDP and who had tendered to the Share Registrar valid transfers of their Shares and certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company were in Singapore as at the Books Closure Date or who had at least five (5) Market Days prior to Books Closure Date provided the Share Registrar with addresses in Singapore for the service of notices and documents
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders collectively
“EPS”	:	Earnings per Share

“Exercise Period”	:	The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. (Singapore time) on the Market Day immediately preceding the third (3 rd) anniversary of the date of issue of the Warrants unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the date the Warrants may be exercised or the Exercise Period shall expire on the date prior to the closure of the Register of Members of the Company or the immediately preceding Market Day, but excluding such period(s) during which the Warrant Register may be closed pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll
“Exercise Price”	:	The price payable for each New Share upon the exercise of a Warrant which shall be S\$0.01, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
“Existing Issued Share Capital”	:	The existing share capital of the Company comprising 416,708,000 Shares (excluding treasury Shares) as at the Latest Practicable Date
“Foreign Purchasers”	:	Persons purchasing the provisional allotment of Warrants through the book-entry (scripless) settlement system and whose registered addresses with CDP are outside Singapore at the time of purchase and who had not, at least five (5) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the services of notices and documents
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least five (5) Market Days prior to the Books Closure Date, provided to the Company or CDP, as the case may be, addresses in Singapore for the services of notices and documents
“FY”	:	Financial year ended or ending 31 December, as the case may be
“Greenfield Construction project”	:	This involves the construction on greenfield where there is no need to remodel or demolish an existing structure
“Group”	:	The Company and its Subsidiaries, collectively
“High-Torque Rotary Drilling”	:	The process to remove difficult deposits from the inside of heat exchanger tubes, chemical reactors, condensers, re-boilers and absorbers using a water flushing and rotary drilling action
“Irrevocable Undertakings”	:	The irrevocable undertakings given by the Undertaking Shareholders dated 10 June 2014 to, <i>inter alia</i> , subscribe and pay for, and/or procure the subscriptions and payment for, their respective Warrants entitlements under the Warrants Issue, amounting to in aggregate 94,329,600 Warrants
“Issue Price”	:	The issue price of S\$0.0015 for each Warrant

“Latest Practicable Date”	:	12 August 2014, being the latest practicable date prior to the date of the lodgement of this Offer Information Statement with the Authority
“Listing Manual”	:	The listing manual of the SGX-ST
“Manager”	:	Hong Leong Finance Limited
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“New Shares”	:	The new ordinary Shares to be issued by the Company, credited as fully paid, upon the exercise of the Warrants, including, where the context admits, such new ordinary Shares arising from the exercise of the Further Warrants
“NTA”	:	Net tangible assets value
“Offer Information Statement”	:	This offer information statement together with (where the context requires), the PAL, the WEWAF, the WAF and all other accompanying documents including, where the context so admits, any supplementary or replacement document which may be issued by the Company in connection with the Warrants Issue
“On Site Flange Machining Work”	:	The process of resurfacing the raised faces of flanges on pipes, valves and equipment nozzles using special portable flange machining equipment
“PAL”	:	The provisional allotment letter to be issued to Entitled Scripholders setting out the provisional allotments of Warrants of such Entitled Scripholders under the Warrants Issue and for the purpose of applying for excess Warrants under the Warrants Issue
“Participating Bank”	:	United Overseas Bank Limited and its Subsidiary, Far Eastern Bank Limited
“Purchasers”	:	Persons purchasing the provisional allotment of Warrants traded on the SGX-ST 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 with the Company or with CDP, 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
“Re-tubing”	:	The process to replace corroded, leaking, aged and damaged tubes from heat exchanger bundles
“Routine Maintenance”	:	A planned programme to service all machinery and equipment on a routine basis to prevent unexpected stoppage
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent

“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares. 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
“Shutdown Work”	:	An event wherein certain sections, processes or units of a plant or facility temporarily cease operation for repair or inspection
“Subsidiary”	:	A corporation which is for the time being a subsidiary of the Company within the meaning of Section 5 of the Companies Act
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares of the Company
“Tube Shooting Services”	:	The process in which the spring-loaded tube cleaners are shot through the tubes with water gun at a specified water pressure. The tube cleaners will then travel through the tubes at a specific speed, plowing off deposits and corrosion and removing obstructions. Water flushes the removed matters out ahead of the tube cleaners, leaving a clean, polished bare metal internal diameter for optimum heat transfer efficiency
“Turnaround”	:	An event wherein an entire process unit’s production is temporarily stopped for revamp or repair
“Undertaking Shareholders”	:	Cheng Woei Fen and Quek Chiau Liong
“Ultra-High Pressure Abrasives Water-Jet Cutting”	:	The process which uses technology involving high pressured water at a specified pressure to create an extremely concentrated force to cut materials
“WAF”	:	The Warrants Application Form to be issued to the Purchasers
“Warrants”	:	Up to 166,683,200 Warrants, in registered form to be issued by the Company pursuant to the Warrants Issue, and (where the context so admits) such additional warrants (the “Further Warrants”) as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the warrants to be set out in the Deed Poll (any such additional warrants to rank <i>pari passu</i> with the warrants to be issued and for all purposes to form part of the same series), subject to the terms and conditions to be set out in the Deed Poll, each Warrant entitling the holder thereof to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions to be set out in the Deed Poll

“Warrant Agent”	:	Boardroom Corporate & Advisory Services Pte. Ltd. or such other person, firm or company as may be approved from time to time be appointed by the Company under the Warrant Agency Agreement
“Warrant Agency Agreement”	:	The warrant agency agreement entered into between the Company and the Warrant Agent for the Warrants Issue, appointing, <i>inter alia</i> , the Warrant Agent, as may be modified from time to time by the parties thereto
“Warrant Certificates”	:	The certificates (in registered form) to be issued in respect of the Warrants as from time to time modified in accordance with the conditions to be set out in the Deed Poll
“Warrant Conditions”	:	The terms and conditions endorsed on the Warrant Certificates as the same may from time to time be modified in accordance with the provisions set out in the Deed Poll and therein and any reference in the Deed Poll to a particular Warrant Condition shall be construed accordingly
“Warrant Holders”	:	Registered holders of the Warrants, except that where the registered holder is CDP, the term “ Warrant Holders ” shall, in relation to Warrants registered in the name of CDP, include, where the context requires, the Depositors whose Securities Account(s) with CDP are credited with Warrants and provided that for the purposes of Schedule 4 of the Deed Poll relating to meetings of Warrant Holders, such Warrant Holders shall mean those Depositors having Warrants credited to their securities account(s) as shown in the records of CDP as at a time not earlier than 48 hours prior to the time of a meeting of Warrant Holders supplied by CDP to the Company. The word “holder” or “holders” in relation to Warrants shall (where appropriate) be construed accordingly; and each a “ Warrant Holder ”
“Warrants Issue”	:	The renounceable non-underwritten rights issue by the Company of up to 166,683,200 Warrants at the Issue Price of S\$0.0015 for each Warrant, with each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price of S\$0.01 for each New Share, on the basis of four (4) Warrants for every ten (10) existing Shares held as at the Books Closure Date, fractional entitlements being disregarded
“Warrant Register”	:	The register of Warrant Holders required to be maintained pursuant the Deed Poll
“WEWAF”	:	The Warrants and Excess Warrants Application Form issued to Entitled Depositors setting out the provisional allotments of the Warrants of such Entitled Depositors under the Warrants Issue and for the purpose of applying for excess Warrants under the Warrants Issue
“\$”, “S\$”, “SGD” and “Cents”	:	Singapore dollars and cents respectively
“%” or “per cent.”	:	Per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in section 130A of the Companies Act. The term “**Direct Account Holder**” shall have the meaning ascribed to the term “account holder” in Section 130A 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 neutral genders. References to persons shall include corporations.

Any reference to a time of day and to dates in this Offer Information Statement, the PAL, the WEWAF and the WAF shall be a reference to Singapore time and dates unless otherwise stated. Any reference in this Offer Information Statement, the PAL, the WEWAF and the WAF to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Act, the SFA, the Listing Manual or the Code or any statutory or regulatory modification thereof and used in this Offer Information Statement, the PAL, the WEWAF and the WAF shall, where applicable, have the meaning assigned to it under the Act, the SFA, the Listing Manual or the Code or such statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

Where any word or expression is defined in this Offer Information Statement, such definition shall extend to the grammatical variations and cognate expressions of such word or expression.

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

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

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE WARRANTS ISSUE

(a) ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Warrants Issue and to receive this Offer Information Statement together with the WEWAF 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 WEWAF 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 PAL may obtain them from the Share Registrar during the period up to the Closing Date..

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

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

Entitled Shareholders are encouraged to open Securities Accounts if they have not already done so and to deposit such share certificates with CDP before the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of the Warrants. Entitled Shareholders 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.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotment of Warrants and for applications for excess Warrants, including the different modes of acceptance, application, renunciation or payment are contained in Appendices B to D of this Offer Information Statement and in the PAL, the WEWAF and the WAF.

(b) FOREIGN SHAREHOLDERS

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

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

This Offer Information Statement and its accompanying documents will also not be dispatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotment of the Warrants credited by CDP to their Securities Accounts should make the necessary arrangements with their Depository Agent or stockbrokers in Singapore.

The Company further reserves the right to reject any acceptances of the Warrants and/or applications for excess Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction. The Company reserves the right, but shall not be obliged, to treat as invalid any PAL, WEWAF or WAF which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the physical certificate(s) of the Warrants or which requires the Company to dispatch the warrant certificate(s) to an address in any jurisdiction outside Singapore or (c) purports to exclude any deemed representation or warranty.

Foreign Shareholders, with shares entered against their names in the Depository Register, who may wish to maintain a mailing address (the **“Corporation Action Mailing Address”**) with CDP for the purpose of receiving the documents for the Warrants Issue should inform CDP in writing. Entitled Depositors are reminded that any request to CDP to register a Corporation Action Mailing Address or any request to CDP to update its records for a new Corporation Action Mailing Address or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, not later than five (5) Market Days prior to the Books Closure Date.

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

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, the Share Registrar or CDP in connection therewith. Where such provisional allotment of the Warrants are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, the Share Registrar or CDP in respect of such sales or the proceeds thereof, the provisional allotment of the Warrants or the Warrants represented by such provisional allotment.

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

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

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe any legal requirements applicable thereto. No person in any jurisdiction 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 Warrants unless such offer, invitation or solicitation can lawfully be made without violating any regulatory or legal requirements in such jurisdictions.

The Warrants which are not otherwise taken up or allotted for any reason shall be used to satisfy excess Warrants applications as the Directors may, in their absolute discretion, deem fit in the interest of the Company. All fractional entitlements to the Warrants will be disregarded in arriving at Entitled Shareholders' entitlements and will, together with provisional allotments which are not taken up or allotted for any reasons, be aggregated and used to satisfy excess Warrants applications (if any) or otherwise disposed or dealt with in any manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. In the allotment of excess Warrants, preference will be given to Shareholders for 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 Warrants Issue or have representation (whether directly or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Warrants.

EXPECTED TIMETABLE OF KEY EVENTS

Shares trade ex-rights	13 August 2014 from 9.00 a.m.
Books Closure Date	15 August 2014 at 5.00 p.m.
Dispatch of Offer Information Statement (together with the WEWAF or PAL, as the case may be) to the Entitled Shareholders	20 August 2014
Commencement of trading of “nil-paid” rights	20 August 2014 from 9.00 a.m.
Last date and time for splitting and trading of “nil-paid” rights	28 August 2014 at 5.00 p.m.
Last date and time for acceptance and payment of Warrants	3 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance of and payment for Warrants by renouncees	3 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for application and payment for excess Warrants	3 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Warrants	11 September 2014
Expected date for crediting of Warrants	12 September 2014
Expected date for refund of unsuccessful applications (if made through CDP)	12 September 2014
Expected date for commencement of trading of Warrants on mainboard of the SGX-ST (subject to there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants)	15 September 2014

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

TRADING

1. LISTING AND QUOTATION OF WARRANTS AND NEW SHARES

On 2 July 2014, the Company obtained approval-in-principle from the SGX-ST for the listing of and quotation for the Warrants and New Shares arising from the exercise of Warrants on mainboard of the SGX-ST subject to certain conditions. However, it should be noted that the Warrants may not be listed and quoted on the mainboard of the SGX-ST if there is an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warrant Holders will not be able to trade their Warrants on the SGX-ST. The approval-in-principle is not an indication of the merits of the Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries.

Upon listing and quotation on mainboard of the SGX-ST, the Warrants and New Shares will be traded under the book entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Warrants and New Shares effected through mainboard of the SGX-ST and/or CDP shall be made in accordance with the “**Terms and Conditions for Operation of Securities Accounts with CDP**” and the “**Terms and Conditions for CDP to act as Depository for the Warrants**”, 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 Warrants provisionally allotted to them and (if applicable) apply for excess Warrants, and who wish to trade the Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Warrants and, if applicable, the excess Warrants that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Warrants and/or apply for the excess Warrants and have their Warrants credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

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

If an Entitled Scripholder’s address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

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

3. TRADING OF ODD LOTS

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

Shareholders should note that most counters on the SGX-ST currently trade in board lot sizes of 1,000 shares and/or warrants. Following the Warrants Issue, Warrant Holders who hold odd lots of the Warrants and/or the New Shares (i.e. lots other than board lots of 1,000 Warrants or Shares) and who wish to trade in odd lots of Warrants and/or Shares should note that they can trade on the Unit Share Market of the SGX-ST, which allows the trading of odd lots.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of the Warrants in odd lots of 200 Warrants for a period of one (1) month commencing on the first Market Day on which the Warrants are listed for quotation on the Main Board of the SGX-ST. The temporary counter is provisional only. Investors who continue to hold odd lots of less than 1,000 Warrants after one (1) month from the listing of the Warrants may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Warrants.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other 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 strategies, plans, prospects 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 and/or 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, uncertainties and other factors that may cause the Group’s actual and/or future results, performance or achievements to be materially different from that expected, expressed or implied or inferred 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, the Manager nor any other person represents or warrants that the Group’s actual and/or future results, performance or achievements will be as discussed in those statements.

Further, the Company and the Manager disclaim 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. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of public companies including the Company. Unless exempted, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30% to 50% (both inclusive) of the voting rights in the Company, and acquires additional Shares (whether through the exercise of the Warrants or through other means) representing more than 1% of the voting rights in the Company in any six-month period, must extend a take-over offer for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such persons, 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.

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

Shareholders or Warrant Holders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Warrants or the exercise of the Warrants should consult the Securities Industry Council and/or their professional advisers immediately.

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

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.

Name of Directors	Address	Position
Cheng Woei Fen	1 Berrima Road, Singapore 299877	Executive Chairman
Quek Chiau Liong	8 Watten Park, Singapore 287407	Managing Director
Quek Kian Hui	1 Berrima Road, Singapore 299877	Executive Director
David Tan Chao Hsiung	72 Braemar Drive, Singapore 559475	Non-Executive and Lead Independent Director
Peter Sim Swee Yam	21 Sundridge Park Road, Singapore 358148	Non-Executive and Independent Director
Dr Lau Teik Soon	8 Jalan Telang, Singapore 576679	Non-Executive and 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.

	Name	Address
Manager	Hong Leong Finance Limited	16 Raffles Quay #01-05 Hong Leong Building Singapore 048581
Underwriter	Not applicable	Not applicable
Legal Adviser	Virtus Law LLP	One Raffles Place #12-00 Singapore 048616

Registrars and Agents

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

	Name	Address
Share Registrar, Share Transfer Office and Warrant Agent	Boardroom Corporate & Advisory Services Pte. Ltd.	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Receiving Banker	United Overseas Bank Limited	80 Raffles Place UOB Plaza 1 Singapore 048624

PART III: OFFER STATISTICS AND TIMETABLE

Offer Statistics

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

Warrants Issue

Method of offer	:	Renounceable non-underwritten rights issue of Warrants
Basis of Allotment	:	Four (4) Warrants for every ten (10) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
Number of Warrants	:	Up to 166,683,200 Warrants

Method and Timetable

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

Please refer to paragraphs 3 to 7 of Part III of this Offer Information Statement 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 lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Details of the offer procedure for the Warrants Issue are set out below:-

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

Procedures for acceptance : Acceptances should be made in the manner set out in this Offer Information Statement as well as the applicable WEWAF, WAF or PAL to the persons named therein, which are:

- (a) in the case of Entitled Depositors, by hand to **MUN SIONG ENGINEERING LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**, or by post, at the Shareholder’s OWN RISK, in the enclosed self-addressed envelope to **MUN SIONG ENGINEERING LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**; or

- (b) in the case of Entitled Scripholders, to **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623.**

For the procedures as well as terms and conditions applicable to Electronic Applications through an ATM of the Participating Bank, please refer to Appendices B and C of this Offer Information Statement.

Please refer to Appendices B to D of this Offer Information Statement, the PAL, the WEWAF and the WAF for further details of the procedures for, and terms and conditions applicable to, acceptance, renunciation and/or sale of the provisional allotment of Warrants, and payment and application of excess Warrants under the Warrants Issue.

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

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

The Warrants are payable in full upon acceptance and/or application. All payments for the Warrants and excess Warrants must be made either:

- (a) in the case of Entitled Depositors:
- (i) by way of Electronic Application; or
 - (ii) if the application for Warrants and/or excess Warrants (as the case may be) is made by sending the relevant completed and signed WEWAF or WAF to CDP, then **A SINGLE REMITTANCE** must be attached to the completed and signed WEWAF or WAF (as the case may be) in Singapore dollars in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore for the full amount payable to "**CDP – MUN SIONG WARRANTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**". The applicant's or the Entitled Depositor's name and Securities Account number must be clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft (as the case may be);
- (b) in the case of Entitled Scripholders, in the manner as prescribed in this Offer Information Statement and the PAL.

The last date and time for acceptances of Warrants, (if applicable) applications for excess Warrants and payments for Warrants and/or excess Warrants is on **3 SEPTEMBER 2014** at **5.00 p.m.** or, in the case of acceptances and/or excess applications and payments through an ATM of a Participating Bank, on **3 SEPTEMBER 2014** at **9.30 p.m.**

Please refer to the section entitled "**Expected Timetable of Key Events**" of this Offer Information Statement for further details.

The detailed procedures for, and the terms and conditions applicable to acceptances, renunciations and/or sales of the provisional allotment of Warrants and for the applications for excess Warrants, including the different modes of acceptances or applications and payments are contained in Appendices B to D of this Offer Information Statement and in the PAL, the WEWAF and the WAF.

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

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

The Warrants will be provisionally allotted to Entitled Shareholders on or about 11 September 2014 by crediting the provisional allotments into the Securities Account of the respective Entitled Depositors based on their respective shareholdings in the Company as at the Books Closure Date, or through the dispatch of the PALs to Entitled Scripholders.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in their PAL), following the receipt of their valid acceptances, excess applications and payments for the Warrants by the Closing Date, the Warrants in respect of their valid acceptances and successful applications for excess Warrants will be registered in the name of CDP and held by CDP for and on their behalf. Physical certificate(s) representing such number of Warrants are expected to be sent to CDP within ten (10) Market Days after the Closing Date. It is expected that CDP will then send to such subscribers, at their own risk, within fourteen (14) days, a notification letter showing the number of Warrants that have been credited to the relevant Securities Account of such subscribers.

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

Please refer to Appendices B to D of this Offer Information Statement, the PAL, the WEWAF and the WAF for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

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

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

The Company will publicly announce the results of the allotment or the allocation of the Warrants in relation to the Warrants Issue, as soon as practicable after the Closing Date via a SGXNET announcement, to be posted on the SGX-ST website at <http://www.sgx.com>.

Where any acceptance for Warrants and/or application for excess Warrants is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded by the Company (in the case of Entitled Scripholders) or CDP (in the case of Entitled Depositors and Purchasers) on behalf of the Company to Entitled Shareholders, their renounees or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by:

- (a) ordinary post, by way of a crossed cheque drawn in Singapore currency on a bank in Singapore (where the acceptance and/or application is made through CDP) at their own risk to their mailing addresses as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions;
- (b) ordinary post, by way of a crossed cheque drawn in Singapore currency on a bank in Singapore (where the acceptance and/or application is made through the Share Registrar) at their own risk to their mailing addresses as maintained with the Share Registrar;
- (c) crediting their bank accounts with the Participating Bank (where acceptance and/or application is made through Electronic Application) at their own risk, the receipt by such bank being a good discharge by the Company and CDP of their obligations, if any, thereunder; or
- (d) in such other manner as they may have agreed with CDP for the payment of any cash distributions.

Please refer to Appendices B to D of this Offer Information Statement, the PAL, the WEWAF and the WAF for further details on refunding excess amounts paid by applicants.

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 of Part IV of this Offer Information Statement below.

- 2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

Assuming that the Warrants are fully subscribed for and 166,683,200 Warrants are issued, the estimated net proceeds from the subscription of the Warrants Issue will amount to S\$50,025, after deducting professional fees as well as related expenses amounting to an aggregate estimated amount of S\$200,000 incurred in connection with the Warrants Issue.

Assuming that all of the 166,683,200 Warrants subscribed for are subsequently exercised, the Company can raise an additional gross amount of S\$1,666,832.

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

The Company intends to use the net proceeds from the Warrants Issue for working capital purposes.

The Company had previously on 20 November 2012 announced a change in use of proceeds of S\$7.7 million (being the unutilised balance from the proceeds raised at the Company's initial public offering that was earmarked for widening the range of services available to its customers) to working capital. As at the Latest Practicable Date, an amount of S\$1.9 million of the proceeds earmarked for working capital remained unutilised. The proceeds to be raised from the exercise of the Warrants issued pursuant to the Warrants Issue will be used to further strengthen the working capital of the Group.

As and when any significant amount of the proceeds is raised and/or deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds together with a breakdown with specified details on how such proceeds have been applied in its annual reports and quarterly results announcements. Pending the deployment of the net proceeds for the use identified above, the net proceeds may be placed as deposits with financial institutions or to invest in short-term money market or debt instruments or for any other purposes on a short term basis as the Directors may deem fit.

There is no minimum amount which, in the reasonable opinion of the directors or equivalent persons of the Company, must be raised by the Warrants Issue.

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

The estimated gross proceeds of the Warrants Issue is approximately S\$1,916,857 on the assumption that the Warrants are fully subscribed for and all of the Warrants subscribed for are subsequently exercised. For each dollar of the gross proceeds from the Warrants Issue, the estimated amount that will be allocated for the intended use and the estimated amount that will be used to pay for expenses incurred in connection with the Warrants Issue are as follows:

- (a) approximately S\$0.90 for each dollar of gross proceeds raised will be allocated to further strengthen the working capital of the Group; and
- (b) approximately S\$0.10 for each dollar of gross proceeds raised will be allocated to meet the expenses incurred in connection with the Warrants Issue.

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

Not applicable

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

Not applicable

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

Not applicable

-
8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the 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.

The Warrants Issue is on a non-underwritten and renounceable basis. As such, there are no underwriters or other placement or selling agents appointed pursuant to the Warrants Issue.

Information on the Relevant Entity

8. Provide the relevant 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);

Registered office and principal place of business

Address : 35 Tuas Road, Jurong Town, Singapore 638496
Tel : (65) 6411 6570
Fax : (65) 6862 0218

-
- (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;

Business of the Group

The Group is an integrated mechanical engineering cum electrical and instrumentation and scaffolding service provider for the process industries comprising oil and gas, petroleum and petrochemical industries as well as pharmaceutical and power plants (collectively, the "Process Industries"). It is able to offer both project works and maintenance services.

Mechanical engineering – The Group has the capabilities to undertake major forms of mechanical engineering works ranging from projects (including Brownfield and Greenfield Construction projects), Routine Maintenance, including Shutdown Works and major Turnaround. Our capabilities range from pre-fabrication and installation of piping works, valves, erection of steel structures, installation, replacement and servicing of fixed equipment; repair of storage tanks, fabrication of pre-assembled modules and skids. The Group also provides specialised services for On Site Flange Machining Work, High-Torque Rotary Drilling services, Re-tubing services, Ultra-High Pressure Abrasives Water-Jet services, blasting services, Tube Shooting services for heat exchangers, mechanical De-coking of heaters and Curran tube coating services.

Ancillary services - The Group is able to provide electrical services such as installation of transformers, switchgears, lightings, lightning protection and the grounding system and instrumentation works that range from installation of distribution control system, field instrument, impulse line, calibration and loop check. The Group is also capable in undertaking rotary engineering services for the installation, replacement and servicing of rotating equipment like the pumps and compressors. The Group also has the capabilities to provide various types of scaffolding services which includes tower, hanging, cantilever, mobile as well as special PE designed scaffolding.

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

Name of company	Principal activities	Country of incorporation and principal place of business	Percentage of effective equity held by the Group
Held by the Company			%
OHM Engineering Pte Ltd	Electrical and Instrumentation engineering services	Singapore	100
Wing Wah Industrial Services Pte Ltd	Mechanical engineering in rotating equipment services	Singapore	100
Pegasus Advance Engineering Pte Ltd	Engineering activities in scaffolding work for the process and industrial engineering services	Singapore	100
Mun Siong Engineering Sdn Bhd	Provision of engineering services and contractor to the process industries in Malaysia	Malaysia	100
Alliance Process Engineering & Construction Pte. Ltd.(in the process of being struck off)	Investment holding	Singapore	33

(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since -

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

General development of the Group's business during FY2011, FY2012 and FY2013 and up till the Latest Practicable Date.

Key Developments from 1 January 2011 to 31 December 2011

- (1) On 7 January 2011, the Company announced the incorporation of a new wholly-owned subsidiary in Singapore, MSE Investment Pte. Ltd. (“MSEI”) with an issued and paid up share capital of S\$10,000 comprising 10,000 ordinary shares. The principal activities of MSE Investment Pte. Ltd. are that of investment and investment holding of overseas joint venture companies.
- (2) On 26 April 2011, the Company announced, *inter alia*, that its wholly-owned subsidiary, MSEI, had entered into a joint venture agreement dated 25 April 2011 (“Agreement”) with Gulf Consolidated Contractors Co. Ltd., a company incorporated under the laws of Saudi Arabia (“GCC”), to set up a joint venture company to be incorporated under the laws of Saudi Arabia (“JVC”) to seek opportunities to carry out plant operations and maintenance services for mechanical, electrical and instrumentation requirements to oil and gas, petrochemical and other industries in the Kingdom of Saudi Arabia and other Gulf Cooperation Council Countries and that MSEI will invest SR60,000 (approximately S\$20,000) for its subscription of 40% equity interest in the JVC. As at the date hereof, this was not proceeded with.
- (3) On 23 May 2011, the Company announced, *inter alia*, it has entered into a sale and purchase agreement (“SPA”) with Lim Hock Heng, Lok Peng Kan, Tan Boon Kiat, Tan Khim Yong, David Loke Lye Khiong and Tan Kim Liang Alex (“Vendors”) for the acquisition of 600,000 ordinary shares (“Sale Share”) representing 80% of the issued share capital in Wing Wah Industrial Services Pte. Ltd. (“WWIS”), a company incorporated in Singapore which is principally engaged in providing mechanical engineering in Rotating equipment services for a total purchase consideration of S\$2,000,000 (“Proposed Acquisition”).
- (4) On 4 July 2011, the Company announced, *inter alia*, the completion of the Proposed Acquisition and the entry into a put and call option agreement (“Put and Call Option Agreement”) with the Vendors in respect of the remaining 150,000 shares of WWIS (“Option Shares”) comprising 20% of the issued share capital in WWIS.
- (5) On 14 October 2011, the Company announced, *inter alia*, that it had entered into a joint venture agreement (the “JV Agreement”) on 12 October 2011 with HSL Constructor Pte Ltd (“HSL”) and FRP Products Co. Pte Ltd (“FRP”) (together, the “JV Parties”) to establish a company named Alliance Process Engineering & Construction (Vietnam) Co., Ltd. (the “Associate”) in Vietnam. Pursuant to the terms of the JV Agreement, the Associate will have a capital of US\$235,000 (the “Capital”), of which the Company, FRP and HSL will contribute US\$77,550, US\$77,550 and US\$79,900 respectively. The Company, FRP and HSL will hold 33%, 33%, and 34% of the Capital respectively.

Key Developments from 1 January 2012 to 31 December 2012

On 31 December 2012, the Company announced, *inter alia*, that it has exercised the call option to purchase the Option Shares for a purchase consideration of S\$499,500. The Company further announced that it has entered into a sale and purchase agreement (“Sale and Purchase Agreement”) to sell 22,500 shares of WWIS, representing 3% of the paid up share capital of WWIS to Mr Tan Kim Liang, Alex, the deputy managing director of WWIS for a consideration of S\$63,675.00. The Company will be entitled to acquire the WWIS shares from Mr Tan Kim Liang, Alex at S\$2.83 each if he is to cease employment with WWIS within 2 years from the date of the Sale and Purchase Agreement. Following the completion of the above transactions, the interest of the Company in WWIS increased from 80% to 97%.

Key Developments from 1 January 2013 to 31 December 2013

- (1) On 15 January 2013, the Company announced, *inter alia*, that it had been awarded a term maintenance contract from a new customer, Jurong Aromatics Corporation Pte Ltd (“JAC”), a privately held business with interest in the manufacturing and sales of aromatics and oil products. The contract period is for 32 months with an option for further extension.

- (2) On 30 May 2013, the Company announced, inter alia, that it had incorporated a new wholly-owned subsidiary in Singapore, Pegasus Advance Engineering Pte. Ltd. with an issued and paid up share capital of S\$100,000 comprising 100,000 ordinary shares each fully paid up to undertake the provision of scaffolding services to the process industry.
- (3) On 19 June 2013, the Company announced that it had successfully secured a maintenance contract for a period of one year with a new client on Jurong Island, Singapore and the Group had also entered into a new three years maintenance contract with an existing long term customer.
- (4) On 1 August 2013, the Company announced that its wholly-owned subsidiary, OHM Engineering Pte Ltd, which provides electrical and instrumentation services, had won the WSH Performance Award (Silver) from the Singapore Workplace Safety and Health Council. The annual WSH Performance Awards is to recognize companies that are committed to promote Safety and Health at work with good practices and WSH records.
- (5) On 23 August 2013, the Company announced, inter alia, that it had incorporated a new wholly-owned subsidiary in Malaysia, Mun Siong Engineering Sdn Bhd (“MSESB”) with an initial issued and paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 par each fully paid up and the principal activities of MSESB are that of the provision of engineering services and contractor to the Process industries in Malaysia.
- (6) On 13 September 2013, the Company announced that it had exercised its legal rights under a call option to acquire 22,500 shares in WWIS, which was then owned by its Deputy Managing Director, Mr Tan Kim Liang, Alex. The 22,500 shares represents 3% of the paid up share capital of WWIS. The purchase consideration was S\$2.83 per share. Upon completion of this acquisition, WWIS became a wholly owned subsidiary of the Company.

Key Developments from 1 January 2014 till the Latest Practicable Date

On 24 March 2014, the Company announced that MSEI, a wholly-owned subsidiary of the Company which had been dormant since its incorporation, had upon its application and as subsequently notified by the Accounting and Corporate Regulatory Authority of Singapore (ACRA), been struck off from the Register of Companies pursuant to Section 344(2) of the Companies Act, Cap. 50 with effect from 12 March 2014.

(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;

(i) As at the Latest Practicable Date, the share capital of the Company (excluding treasury shares) is as follows: —

Issued and fully paid-up share capital	:	S\$24,528,000
No. of ordinary shares	:	416,708,000

(ii) Not applicable.

(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;

The Substantial Shareholders of the Company and the number of Shares held by them based on records maintained by the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Substantial Shareholders				
Cheng Woei Fen ^{(2) (4)}	199,284,000	47.82	24,240,000	5.82
Quek Kian Teck ⁽³⁾	23,940,000	5.75	—	—
Quek Kian Hui ⁽³⁾	24,222,000	5.81	—	—
Quek Chiau Liong ⁽⁴⁾	36,540,000	8.77	—	—

Notes:

- 1) Based on the total issued capital of the Company comprising 416,708,000 Shares as at the Latest Practicable Date.
- 2) Deemed interest of Cheng Woei Fen derived from the interest held by her son, Quek Kian Teck and interest held by her spouse.
- 3) Quek Kian Teck and Quek Kian Hui are siblings.
- 4) Cheng Woei Fen is the step mother of Quek Chiau Liong.

(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 lodgement of this Offer Information Statement and to the best of the Directors' knowledge, the Directors are not aware of any legal or arbitration proceedings (either as plaintiff or defendant) to which the Company or any of its Subsidiaries is a party, including those which are pending or known to be contemplated, which may have, or which have had in the twelve (12) months immediately before the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

(g) **Where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —**

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

The Company has not issued any securities or equity interests in the past 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 lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Neither the Company nor any of its subsidiaries has entered into any material contract (not being contracts entered into in the ordinary course of business) for the period of two (2) years immediately preceding the lodgment of this Offer Information Statement.

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 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.

	Unaudited 1H2014 S\$'000	Unaudited 1H2013 S\$'000	Audited FY2013 S\$'000	Audited FY2012 S\$'000	Audited FY2011 S\$'000
Revenue	37,599	41,340	81,822	73,081	66,419
Cost of sales	(33,249)	(37,881)	(72,352)	(66,421)	(53,890)
Gross profit	4,350	3,459	9,470	6,660	12,529
Other income	626	413	908	1,105	1,452
Administrative expenses	(2,996)	(3,338)	(6,884)	(6,546)	(6,723)
Other operating (expenses) / income	(7)	3	12	(4)	(26)
Results from operating activities	1,973	537	3,506	1,215	7,232
Finance costs	(19)	(20)	(40)	(21)	(53)
Share of results of associated companies	0	(1)	(2)	6	(89)
Profit before income tax	1,954	516	3,464	1,200	7,090
Income tax (expense)/credit	(211)	(80)	(374)	212	(652)
Profit after income tax	1,743	436	3,090	1,412	6,438

	Unaudited 1H2014 S\$'000	Unaudited 1H2013 S\$'000	Audited FY2013 S\$'000	Audited FY2012 S\$'000	Audited FY2011 S\$'000
Other comprehensive income:					
Foreign currency translation difference from foreign operation	3	0	(10)	0	0
Total comprehensive income	1,746	436	3,080	1,412	6,438
Profit attributable to:					
Owners of the Company	1,743	444	3,090	1,365	6,326
Non-controlling interest	0	(8)	0	47	112
	1,743	436	3,090	1,412	6,438
Total comprehensive income attributable to:					
Owners of the Company	1,746	444	3080	1,365	6,326
Non-controlling interest	0	(8)	0	47	112
	1,746	436	3,080	1,412	6,438
Earnings per share (based on consolidated net profit attributable to equity holders) (cents)					
Basic and diluted	0.42	0.10	0.74	0.33	1.52
Basic and diluted (as adjusted for the Warrants Issue, assuming all the Warrants are exercised at the beginning of each of the respective financial years)	0.30	0.08	0.53	0.23	1.08

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

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

Dividends declared (S\$'000)	1H2014	FY2013	FY2012	FY2011
Final	—	1,000	625	2,500
Dividend declared per share (cents)	—	0.24	0.15	0.60

For illustration only, assuming the full subscription of the Warrants Issue and the issuance of 166,683,200 New Shares arising from the exercise of the Warrants at the beginning of each of the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013, the basic and diluted consolidated EPS before and after the Warrants Issue will be as follows:-

	Basic and Diluted consolidated EPS before the Warrants Issue	Basic and Diluted consolidated EPS after the Warrants Issue
FY2011	1.52	1.08
FY2012	0.33	0.23
FY2013	0.74	0.53
1H2014	0.42	0.30

3. 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.

REVIEW OF RESULTS AND OPERATIONS

FY2012 vs FY2011

(i) Revenue, cost of sales and gross margin

The increase in the revenue by 10.0% from S\$66.4 million in FY2011 to S\$73.1 million in FY2012 was mainly due to the increased contributions from the mechanical engineering segment which resulted from more project work orders received during FY2012.

Cost of sales increased by 23.3% from S\$53.9 million in FY2011 to S\$66.4 million in FY2012. The increase was in line with increase in revenue, and the main increase was mainly in labour and labour-related costs, subcontracting costs and material costs.

Gross margin decreased from 18.8% in FY2011 to 9.2% in FY2012 as the combined impact of competitive pricing and increased direct costs have resulted in thinner margins.

(ii) Administrative expenses

Administrative expenses decreased from S\$6.7 million in FY2011 to S\$6.5 million in FY2012 mainly due to lower salaries related costs.

(iii) Other expenses

The decrease in other expenses in FY2012 was mainly due to the absence of an investment written off by a subsidiary in FY2011.

(iv) Finance costs

The decrease in finance costs in FY2012 from S\$53,000 in FY2011 to S\$21,000 in FY2012 was due to lower interest expenses resulting from loan repayments made by the Group during FY2012. The Group incurred interest on hire purchase financing commencing in December 2012. Finance expenses from these new hire purchases will only be incurred substantially in the following financial year.

(v) Income tax expense

Income tax expense decreased in FY2012 mainly as a result of the Group's recognition of deferred tax assets on tax losses that were previously not recognised by a subsidiary. The tax losses carried forward can be offset against future taxable income following the waiver of shareholding test granted by IRAS.

FY2013 vs FY2012

(i) Revenue, gross margin and other income

Revenue increased by 12.0% from S\$73.1 million in FY2012 to S\$81.8 million in FY2013, attributable mainly to the recognition of revenue from a higher volume of works undertaken.

Gross margin increased from 9.1% in FY2012 to 11.6% in FY2013, attributable mainly to additional work done, stringent cost management and gains arising from improvement in productivity.

Other income decreased by 17.8% from S\$1.1 million in FY2012 to S\$0.9 million in FY2013. The decrease was mainly due to the lower gain in fair value on the investment properties.

(ii) Administrative expenses

Administrative expenses increased by 5.2% from S\$6.5 million in FY2012 to S\$6.9 million in FY2013. The increase was mainly due to the inclusion of amortisation expense for an intangible asset (licensing rights), and higher land rental following a revision of the rate by Jurong Town Corporation.

(iii) Finance costs

The increase in finance costs in FY2013 from S\$21,000 in FY2012 to S\$40,000 in FY2013 was attributed to interest expense arising from hire purchase of equipment which was acquired in December 2012.

(iv) Income tax expense

Income tax expense increased to S\$374,000 in FY2013 mainly due to the higher profit before tax of S\$3.5 million recorded for FY2013 as compared with the profit before tax of S\$1.2 million recorded in FY2012.

1H2014 vs 1H2013

(i) Revenue, cost of sales, gross profit and other income

The Group recorded a profit before tax of S\$2.0 million for 1H2014, which is much higher than that of S\$0.5 million recorded for 1H2013.

Revenue for 1H2014 of S\$37.6 million was lower than that for 1H2013. The decrease in revenue is in line with the Group's policy of only engaging in projects or works that meet its profit margin criteria. This is necessary given the higher cost of employing foreign workers and restrictions imposed by the Singapore government on the number of foreign workers the Group can engage.

Cost of sales decreased in tandem with the decrease in revenue, with the main decrease in sub-contracting cost.

Gross profit margin improved from 8.4% to 11.6% for 1H2014. The improvement in profit margin has resulted in the Group achieving a higher profit before taxation of \$2.0 million for 1H2014 as compared to S\$0.5 million in 1H2013.

Being stringent in projects and work selection and cost management, coupled with additional investments in capital equipment have contributed positively to improvement in profit margins.

Other income increased by 51.6% from S\$0.4 million in 1H2013 to S\$0.6 million in 1H2014, which was mainly due to the receipt of Special Employment Credits from the Ministry of Manpower and Wage Credit Scheme payout from IRAS for 2013.

(ii) Administrative expenses

Administrative expenses decreased by 10.2% from S\$3.3 million in 1H2013 to S\$3.0 million in 1H2014. The decrease was mainly due to lower salaries-related costs on administrative headcount and lower depreciation expense.

(iii) Other operating expenses

Other operating expenses comprised losses arising from the write-off of property, plant and equipment and foreign exchange transactions.

(iv) Finance costs

The finance costs relate to the hire purchase interest incurred on the financing of certain capital equipment acquired in 2012.

(v) Income tax expense

Income tax expense for 1H2014 was higher, in line with the higher profit recorded. The effective tax rate was lower after accounting for allowable deductions on expenses qualifying for Productivity Innovation Credits.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of -
- (a) the most recent completed financial year for which audited financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period.

The statements of financial position of the Group for FY2013 and 1H2014 are set out as follows:

	Unaudited as at 30 June 2014 S\$'000	Audited as at 31 December 2013 S\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	16,988	18,414
Intangible asset	1,263	1,338
Goodwill on consolidation	1,636	1,636
Investment properties	1,620	1,620
Jointly controlled entity	–	16
Deferred tax asset	228	228
Total non-current assets	21,735	23,252

	Unaudited as at 30 June 2014 S\$'000	Audited as at 31 December 2013 S\$'000
Current assets		
Inventories	7,462	6,148
Trade and other receivables	14,869	21,046
Cash and cash equivalents	20,671	17,222
Total current assets	43,002	44,416
Total assets	64,737	67,668
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	24,528	24,528
Translation reserves	(7)	(10)
Accumulated profits	26,645	25,902
Total Equity attributable to owners of the Company	51,166	50,420
Non-controlling interests	–	–
Total equity	51,166	50,420
Non-current liabilities		
Loans and borrowings	1,227	1,491
Deferred tax liabilities	1,416	1,458
Total non-current liabilities	2,643	2,949
Current liabilities		
Trade and other payables	9,863	13,178
Loans and borrowings	661	794
Current tax payable	404	327
Total current liabilities	10,928	14,299
Total liabilities	13,571	17,248
Total equity and liabilities	64,737	67,668

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:

- (a) number of shares after any adjustment to reflect the sale of new securities;
- (b) net assets or liabilities per share; and
- (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

Effects of the Warrants Issue on consolidated NTA per Share, Gearing, Shareholders' funds and Gearing Ratio (Times)

For illustrative purposes only, the following is an analysis of the effects of the Warrants Issue on the NTA per Share, gearing, shareholders' funds and gearing ratio based on the Group's unaudited consolidated balance sheet as at 30 June 2014 on the assumption that the maximum number of Warrants are issued and exercised:

	Maximum Subscription	
	Group	Company
NTA (S\$'000)	51,166	41,656
Add:-		
Net proceeds from the issue of the Warrants Issue and New Shares	1,717	1,717
NTA after adjusting for the Warrants Issue and New Shares	52,883	43,373
Number of Shares		
Before Warrants Issue ('000)	416,708	416,708
After adjusting for the Warrants Issue ('000)	583,391	583,391
NTA per Share (cents)		
NTA per Share before the Warrants Issue	12.28	10.00
NTA per Share after adjusting for the Warrants Issue	9.06	7.43
Gearing		
Aggregate amount of borrowings and debts securities (S\$'000)	1,888	1,888
Shareholders' funds		
Shareholders' funds before the Warrants Issue	51,166	41,656
Add: Warrants to be issued	50	50
Based on the issued share capital after the Warrants Issue but before exercise of Warrants	51,216	41,706
Add: New Shares arising from exercise of all Warrants	1,667	1,667
Based on issued share capital after the Warrants and exercise of Warrants	52,883	43,373
Gearing Ratio (Times)		
Gearing before the Warrants Issue	0.04	0.05
Gearing after the Warrants Issue but before the exercise of Warrants	0.04	0.05
Gearing after the Warrants Issue and exercise of Warrants	0.04	0.04

Liquidity and Capital Resources

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

A summary of the audited consolidated cash flow statement of the Group as at 31 December 2013 and the unaudited consolidated cash flow statement of the Group as at 30 June 2014 are set out as below:

	1H2014 (Unaudited) S\$'000	FY2013 (Audited) S\$'000
Net cash flows from operating activities	5,041	9,976
Net cash flows used in investing activities	(175)	(3,631)
Net cash flows used in financing activities	(1,417)	(1,554)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	3,449	4,790
Cash and cash equivalents at beginning of period	17,222	12,442
Effect of foreign exchange rate changes on cash and cash equivalents	0	(10)
	<hr/>	<hr/>
Cash and cash equivalents at end of period	<u>20,671</u>	<u>17,222</u>

FY2013

For FY2013, the Group experienced positive net operating cash flows of S\$9.9 million, which was mainly attributed to an increase in profitability from the Group's operations.

The Group's cash balance as at the end of the FY2013 of S\$17.2 million was an improvement of S\$4.8 million from S\$12.4 million as at the beginning of FY2013. This is after taking into consideration major cash outlay of S\$1.8 million to acquire plant and equipment, S\$1.5 million to acquire an intangible asset, S\$0.5 million to acquire the remaining interests in a subsidiary, S\$0.9 million to repay borrowings and the payment of dividends of S\$0.6 million.

1H2014

The Group generated a net operating cash inflow of approximately \$5.0 million for 1H2014. This was mainly due to profit achieved and the realisation of receivables.

The Group's cash balance as at 30 June 2014 was \$20.7 million, an increase of \$3.5 million from \$17.2 million as at 31 December 2013. This is after taking into consideration \$0.2 million to acquire additional capital equipment to further enhance capabilities and productivity and payment of \$1.0 million of dividends declared in respect of the previous financial year. The Group also repaid approximately \$0.4 million of its loan outstanding.

-
7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

Taking into consideration the cash resources of the Group, both the existing credit facilities currently available to the Group and the amount of unutilised credit facilities and the Group's positive working capital position, the Directors are of the opinion that, as at the Latest Practicable Date, barring unforeseen circumstances, the working capital available to the Group is sufficient to meet its present requirements.

-
8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; 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, the Directors are not aware of any breach by any entity in the Group of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

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

Save as disclosed below and in this Offer Information Statement, the Company's annual reports, circulars and public announcements, the Directors are not aware of any 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 would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition.

Business and Financial Prospects of the Group

The Group continues to face pressure on its profit margin.

Business partners continue to demand for higher level of services while new entrants and existing players compete intensely for new projects. The limits imposed by the government on the number of foreign workers that the Group can employ and the cost of employing foreign workers continue to be of major concern for the Group.

The Group notes that the economic uncertainties in China, North America and Europe continue to put pressure on prices of both end products and raw materials of our business partners, whom in turn are forced to squeeze the profit margin of service providers like our Group.

The Group has been continuously seeking business opportunities outside of its traditional market, both geographically, business and customers. Management continues to adopt a cautious stance in engaging in its expansion plans without having to change the business and financial risk profile of the Group substantially.

To address these challenges, the Group will continue to be selective in engaging in projects and businesses.

RISK FACTORS

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

Prospective investors 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 in the Warrants. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein.

The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develop into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected. In that event, the trading price of the Warrants and/or the Shares could decline and investors may lose all or part of their investment in the Warrants and/or the Shares.

Risks relating to the business of the Group

The Group is reliant on the oil and gas industry

The Group services customers engaged in the oil and gas and its downstream petrochemical industries in Singapore.

In recent years, the prices of crude oil, the main raw material for petroleum and petrochemical products, saw high volatility due to uncertainty in supply and demand.

Based on the Directors' observation, the volatility of crude oil prices has a direct correlation with the dollar value of capital expenditure for new plants and facilities, expansion or up-grading of existing plants and facilities.

The Group's profitability is dependent on the timing of commitments by its customers in new plants or facilities, expansion of existing plants and facilities or the upgrading of existing plants and facilities.

The Group operates in a market place where there are only a small number of dominant customers and is reliant on them, particularly its major customers, for its profitability

The Group's customers are dominant operators in the oil and gas and its downstream petrochemical industries.

The Group's major customers (those who contributed more than 5% to Group's revenue) for mechanical engineering works accounted in aggregate for approximately 82.9%, 76.0%, 79.3% and 78.0% of our Group's revenue in FY2011, FY2012, FY2013 and 1H2014 respectively. The Group's major customers for ancillary services accounted in aggregate for approximately 11.2%, 10.0%, 14.8% and 9.9% of our Group's revenue in FY2011, FY2012, FY2013 and 1H2014 respectively.

Most of these projects and contracts were secured through tenders and there is no assurance that the Group's customers will continue to engage it for their projects and contracts or that the level of revenue will be sustainable going forward. In the event that they cease to have business dealings with the Group, or materially reduce the frequency of jobs that they engage it for, or if the Group is unsuccessful in its tenders for such jobs, its revenue and profitability will be adversely affected.

The Group's ability to retain these customers is important to the on-going success of the Group. There is no assurance that the Group will be able to retain its major customers or continue to receive work orders from them at current levels or prices. In the event that the Group is unable to retain these customers, for example, due to dispute over quality, timely delivery, inability to meet pricing expectations, breach of contracts or inability to meet their safety standards, or if there were any changes to any of these customers' corporate strategies, business directions or policies resulting in them undertaking projects and contracts which may not require our services, the Group will have difficulties finding new customers to replace these customers. Under such circumstances, the Group's business operations and financial conditions may be adversely affected.

The Group is dependent on foreign workers and any shortage in the supply of foreign workers or changes in labour policies in the countries of origin and Singapore may adversely affect its operations and financial performance

As at the Latest Practicable Date, approximately 87% of the Group's workforce comprises foreign workers. They are mainly from India, Myanmar and Bangladesh. With the increasing demand for foreign labour, especially where attractive wages are being offered to such skilled foreign workers in other countries, there is no assurance that the Group will be able to continue to attract foreign workers at its current level of wages or that the Group's current foreign workers will continue to be employed by it. Any increase in competition for foreign workers, especially skilled workers, outside Singapore will increase the general labour wages. Consequently, if the Group is not able to pass on the increase in labour costs to its customers, the Group's financial performance will be adversely affected. The cost of labour (direct and indirect) contributes to a substantial portion of the Group's total operating cost. For FY2011, FY2012, FY2013 and 1H2014, cost of labour (direct and indirect) contributes to 50.6%, 46.9%, 46.2% and 51.5% respectively of the Group's total operating cost.

The supply of foreign workers is also subject to the policies and regulations (including those governing foreign workers' levies and quota on the number of foreign workers that can be employed) imposed by the Ministry of Manpower of Singapore and its counterparts in the workers' respective countries of origin. In the event that there is a shortage of foreign workers or further restrictions in the hiring of foreign workers, the Group may not be able to employ sufficient workers to meet its operational requirements thereby affecting its ability to undertake more work, or its operating costs may increase, resulting in adverse impact on the Group's profitability and operations. Any increase in levies, for example, an increase in the foreign workers' levy imposed by the Singapore government on the employment of foreign workers, will affect the Group's profitability.

The Group may be adversely affected by cost overruns

The Group carries out business activities in project works and maintenance services. The Group's project works contracts typically vary in duration from several months up to three years, while its maintenance services contracts typically have an average validity period of three to five years. Both the Group's project works and maintenance services contracts are negotiated in advance of the actual execution. The Group's profitability is therefore dependent on its ability to obtain competitive quotations from suppliers and sub-contractors at or below its estimated costs, and its ability to execute the works and contracts efficiently. However, unforeseen circumstances such as unfavourable weather or unanticipated construction constraints at work sites may arise during the course of execution. As these circumstances may require additional work which has not been factored into the contracted value, they may lead to cost overruns which may erode the Group's profit margin for the project works or maintenance services contracts. There is no assurance that our actual costs incurred will not exceed the estimated costs, due to factors such as under-estimation of costs, wastage, inefficiency, damage or additional costs incurred (for whatever reasons) during the course of the works or contracts. Any under-estimation of costs, delays or the existence of other circumstances which would result in cost overruns in project works or maintenance service contracts may adversely affect our profitability.

A portion of the Group's revenue is non-recurring in nature

A portion of the Group's revenue is project-based. For FY2011, FY2012, FY2013 and 1H2014, the percentage contributions from its project-based works were approximately 28.2%, 41.1%, 47.5% and 17.5% respectively.

The Group is thus dependant on the capital expenditure of its major customers. Any delay in the capital expenditure, for example, due to the inability of the Group's customers to secure funding for its expansion plan or to retain or increase its product prices, will result in its inability to secure new projects. Such event would result in idle or excess capacity on the Group's part and may adversely affect its business, financial performance and position.

Due to the nature of the Process Industries, it is common for major industry participants to instruct their service providers to perform additional work and/or certain works which were not included in the original specifications. These are known as variation orders. Claims for variation orders are often negotiated and agreed upon with the Group's customers after the services are rendered. It is common practice in the Group's industry to have variation orders. They form part of the Group's revenue and may vary from year to year. There is no assurance that the Group can continue to benefit from variation orders or that our customers will continue to agree to such claims.

There is no assurance that the Group's customers will continue to invest or re-invest in new or existing plants and facilities. There is also no assurance that the Group will be able to secure new customers who will invest in new plants and facilities.

The Group's maintenance contracts are typically for a period of between three (3) and five (5) years. There is no assurance that the Group will be able to successfully secure new maintenance contracts when its existing maintenance contracts expire. The inability of the Group to replace its maintenance contracts with new contracts, or inability to secure new maintenance contracts, may adversely affect the Group's revenue and financial performance.

The Group is largely dependent on Singapore as its major market

Revenue from its business operations in Singapore accounted substantially towards the Group's revenue for FY2011, FY2012, FY2013 and 1H2014. Should there be a reduction in demand for the Group's services in Singapore, the Group's revenue and financial performance may be adversely affected.

The Group is dependent on the Singapore government to grant various tax incentives to oil and gas and its downstream petrochemical industries

The growth and maintenance of Singapore as a centre for oil and gas refining, storage and distribution as well as petrochemical processing in the region is highly dependent on the incentives granted by the Singapore government.

In the event that the Singapore government stops granting such incentives, the amount of investment into new plants and facilities or re-investment and expansion plans for existing plants and facilities will decline. At the same time, if the other regional governments were to offer attractive incentives to the oil and gas and its downstream petrochemical industries, the capital commitment of the Group's customers towards Singapore's oil and gas industry may be substantially reduced.

The Group faces intense competition from other engineering and maintenance services companies and new entrants to the oil and gas and its downstream petrochemical industries

The Group operates in a competitive environment and is subject to competition from both existing competitors and new market entrants. The engineering and maintenance services business in the oil and gas and its downstream petrochemical industries is highly competitive in Singapore. Contracts for services in the Group's industry are generally awarded on the basis of tender and the bidders are pre-qualified based mainly on their track records with respect to their safety and quality performance and their timely delivery.

Some of the Group's competitors may have larger operating capacities and greater financial strength than it. Furthermore, as pricing is a factor used in determining who a contract would be awarded to, competition may lead to downward price pressures for the services the Group supplies. Some of the Group's competitors may bid for contracts at reduced price (with low profit margins) in order to gain experience or market share. If the Group's competitors offer services at lower costs or engage in aggressive pricing in order to increase their market share and the Group is not able to match their lower costs or aggressive pricing, it may not be able to secure these contracts. In the event that the Group is unable to retain its existing customers, attract new customers or respond effectively to the intense competition, the Group's profitability and financial performance would be materially and adversely affected.

There is no assurance that the Group can compete successfully against its existing competitors and new market entrants. In the event that the Group is unable to compete effectively and successfully against its existing competitors and new market entrants, the Group's sales and profitability will be adversely affected.

The Group may be affected by disruptions in its customers' operations arising from significant operating hazards in the oil and gas fields

The Group services customers in the oil and gas and its downstream petrochemical industries. The operations of the Group's customers involve potential hazards such as fire and explosions. Due to the nature of these operations, there is a risk of accidents (including fatality) involving either the Group's employees or third parties on its customers' premises. These accidents may occur as a result of fire, explosions or other incidents.

In the event that there are disruptions in the Group's customers' operations arising from significant operating hazards in the oil and gas fields for whatever reasons, this would adversely affect the Group's result of operations and financial condition.

The Group is exposed to risk of inability to secure adequate insurance coverage

The Group faces the risk of loss of life, loss or damage to its properties, machinery and inventories due to fire, theft or natural disasters such as floods. Such events may cause a disruption to or cessation in our operations, and adversely affect the Group's financial results.

In the event that the Group is unable to obtain insurance coverage for such events, for example due to the frequency of accidents at the Group's job sites or the absence of insurers who are willing to accept the Group's risk, the Group's ability to continue operations may come into question as all its contracts require it to obtain insurance coverage for public liability, work injury compensation (formerly known as workmen compensation) and in some instances, contractors' all risk insurance.

On the other hand, if the Group's insurance coverage is insufficient to meet all its potential losses, such losses will have to be absorbed by the Group. Under such circumstances, the Group's profitability will be negatively affected and its ability to continue as a going concern may be in question.

The Group is reliant on key management personnel to develop and grow its business

The Group's continual success is dependent, to a large extent, on its ability to retain the services of its key management personnel. The Group's management team is headed by the Executive Chairman, Cheng Woei Fen, who has been with the Group for over 30 years and who possesses in-depth knowledge and know-how of the Group's business. She is assisted by the Managing Director, Quek Chiau Liong and key management staff who have experience in the oil and gas industry. All of them are experienced in the industries that the Group operates and are instrumental in delivering the Group's values and commitment to its customers and maintaining good relationships with its suppliers and sub-contractors to further the growth of its business.

If the Group loses the services of any of its existing key management personnel without timely and suitable replacements, or if the Group is unable to attract and retain new personnel with suitable experience and qualifications, there will be an adverse impact on the Group's future operations, business, financial condition, results of operations and prospects as well as our ability to achieve its business objectives. In addition, the Group may lose its business to any competitors that the Group's key management personnel may join after leaving their positions with the Group. The Group's profits could also be materially and adversely affected if it needs to increase employee compensation levels substantially to attract and retain its existing key management personnel, as well as any additional personnel that we may require in the future.

Inability to retain and attract skilled personnel could materially affect the Group's operations and business

The Group's business requires highly skilled personnel such as engineers, supervisors and other skilled workers. The availability of skilled personnel with appropriate experience in the Group's industry is limited and competition for the employment of such personnel is intense. There is no assurance that the Group will be able to attract the necessary skilled personnel or that it will be able to retain the skilled personnel whom it has trained at its own cost or whether suitable and timely replacements can be found for skilled personnel who leave it. If the Group is unable to continue to retain and attract skilled employees, the quality and timeliness of the Group's services and ability to compete effectively and to grow its business could be materially affected.

Disruptions to the Group's on-site erections and/or project schedules arising from natural disasters will affect its financial position and results

The Group's projects usually involve on-site erections and are typically carried out in the open, which may be affected by inclement weather. Any major disruption could have a material adverse effect on our operations and the Group's financial results.

In the event that any of the Group's customers, in particular its major customers experience work stoppages in their plants or facilities which it is working in due to natural disasters, their demand for the Group's services may be suspended or discontinued and the Group's revenue from these customers will be adversely affected. This would have an adverse impact on the Group's business operations and financial performance.

The Group is subject to risks associated with the regulatory environment in which its customers operate

The oil and gas and its downstream petrochemical industries are subject to regulatory risks. The laws and regulations in the jurisdictions and industries which our customers operate may require our customers to meet certain standards and liabilities may be imposed if these standards are not met. Though we may not be directly regulated by these laws and regulations, there is no assurance that any non-compliance by the Group's customers with such laws and regulations will not indirectly affect us, such as resulting in delays to our project schedules. In addition, the liabilities and risks imposed on the Group's customers by such laws and regulations may adversely impact the demand for the Group's services, thus adversely affecting the Group's competitive and financial position.

The Group may be adversely affected by disputes with its customers, suppliers and sub-contractors

Claims may be made by and/or against customers, suppliers and sub-contractors in the Group's industry for various reasons such as delays, non-payment, defective workmanship and materials, and non-compliance with specifications.

It is an industry practice for the Group's customers to withhold a certain percentage of the project contract sum as retention monies representing up to a maximum of ten per cent. (10.0%) of the contract sum to cover any defects which may surface during the defects liability period. The defects liability periods applicable to us are generally between 12 months to 18 months. During this period, the Group is required to rectify defects free of charge. If the Group is required to rectify defects

during the defects liability period which will result in substantial additional costs to be borne by it, the profitability of the particular project will be reduced. In the event that the Group's customers suffer loss and damage due to the defects, they may claim against it thereby adversely affecting its financial performance.

In addition, the Group may not be able to recover the retention monies if its customers go into liquidation or judicial management before such retention monies are due and payable to it. Any disputes on progress payments, variation orders, retention monies, defective workmanship, non-compliance with specifications or others relating to its projects may have an adverse impact on its financial performance and cash flow.

The Group is liable for delays in the completion of projects, and any liquidated damages and additional overheads arising from such delays could adversely affect its financial performance

The Group is required to adhere to the project schedules as stipulated in contracts with its customers and the Group's failure to meet such project deadlines could result in it having to pay penalties or liquidated damages. There is no assurance that the Group will not face such claims in the future, which may have an adverse impact on its business, financial condition and results of operations.

The Group is exposed to the performance and quality of its sub-contracted works

In some of the Group's projects, with its customers' knowledge, the Group sub-contracts the delivery of a certain portion of the contracts. Where the Group has sub-contracted such works, it is exposed to the timely delivery and the quality required of the sub-contracted works to its sub-contractors. In the event that the sub-contractor is unable to perform the works, the Group will be exposed to the ultimate contract performance of the scope of sub-contracted works. In such event, the Group's profitability will be adversely affected if it is unable to obtain the services of other sub-contractors or are unable to perform the works from its internal resources at the price allocated to the sub-contractor.

Changes in government legislation, regulations or policies which affect the Group's industry may adversely affect our business operations

The Group currently operates primarily in Singapore and may also expand into other countries in the region which the Group presently does not have a business presence.

The occurrence of political and social conditions in Singapore or countries where we may operate in the future, may affect the Group's ability to provide its services to its customers in these countries. The Group's business and operations are subject to the legal and regulatory framework in these countries. Laws and regulations governing business entities in these countries may change and are often subject to a number of possibly conflicting interpretations, both by business entities and by the courts. The Group's business, financial condition, profitability and results of operations may be adversely affected by changes in and uncertainty surrounding governmental policies, in particular with respect to business laws and regulations, licences and permits, taxation, inflation, interest rates, currency fluctuations, price and wage controls, exchange control regulations, labour laws and expropriation. Any changes in economic, political, legal and regulatory conditions or policies in these countries could adversely affect the results of the Group's operations and in turn, the market price of the Shares.

Compliance with new government legislation, regulations or policies may also increase the Group's costs and any significant increase in compliance costs arising from such new government legislation, regulations or policies may adversely affect our results of operations. There is no assurance that any changes in government legislation, regulations and policies will not have an adverse effect on the Group's financial performance.

The Group may face uncertainties associated with the expansion of its business

As part of the Group's future business plan, the Group intends to widen its range of services, establish its regional presence, provide engineering design services and upgrade its existing database management system. Such expansion plans may involve strategic alliances, joint-ventures, acquisitions of, and investments in companies or businesses that are complementary to or support the Group's existing business.

If the Group fails to achieve a sufficient level of revenue or if an acquired company under its expansion plans does not perform or if the Group's expansion plans result in potential dilutive issuances of equity securities or the incurrence of debt, contingent liabilities, possible impairment charges related to goodwill or other intangible assets or any other unanticipated events or circumstances, the Group's future financial position and performance may be materially and adversely affected.

Participation in acquisitions, joint ventures and/or strategic alliances similarly involves numerous risks, including but not limited to difficulties in the assimilation of the management, operations, services, products and personnel as well as the possible diversion of management's attention from other business concerns. The successful implementation of growth strategies depends on the Group's ability to identify suitable partners and the successful integration of their operations with that of the Group. There is no assurance that the Group will explore acquisitions, joint ventures and/or strategic alliances that are complementary to its business.

There can be no assurance that the Group will be able to execute such growth strategies successfully and as such, the performance of any acquisitions, joint ventures or strategic alliances could fall short of expectations.

Risks relating to ownership of the Shares and/or the Warrants

The market price and trading volume of the Shares and/or the Warrants may be affected by various factors.

The market price and trading volume of the Shares and/or the Warrants may be volatile and could fluctuate significantly and rapidly in response to, *inter alia*, the following factors, some of which are beyond the Group's control:

- (a) variations in the operating results of the Group;
- (b) changes in shareholdings of our substantial shareholders and Executive Directors;
- (c) changes in securities analysts' recommendations, perceptions or estimates of the Group's financial performance;
- (d) announcements by the Group or its competitors of securing sizeable new projects, acquisitions, strategic partnerships, joint ventures or capital commitments;
- (e) success or failure of the management team in implementing business and growth strategies;
- (f) additions or departures of key personnel;
- (g) fluctuations in stock market prices and volume;
- (h) involvement in litigation;
- (i) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors;

- (j) changes in market valuations and share prices of companies with similar businesses to the Company; and
- (k) gain or loss of important business relationships or contracts or failure to complete contracts or projects in a timely manner.

These fluctuations may be exaggerated if the trading volume of the Shares is low.

The Company's Shares and/or Warrants may not be traded regularly

As set out in paragraph 4(a) of Part VI of this Offer Information Statement, the Shares are traded on the mainboard of the SGX-ST. However, there is no assurance the Shares will continue to be regularly traded on the mainboard of the SGX-ST.

There is no established market for the Warrants. There is no assurance that there will be an active trading market for the Company's Shares and/or Warrants subsequent to the Warrants Issue and even if there is, there is no assurance that such active trading market for the Shares and/or Warrants will be sustained.

The Warrants have an Exercise Period of three (3) years. In the event that the Warrants are not exercised by the end of the Exercise Period, they will expire and cease to be valid for any purpose to the Warrant Holders.

The listing of the Warrants is subject to a sufficient spread of holdings

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on the SGX-ST due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Warrants Issue. In such an event, Warrant Holders will not be able to trade their Warrants on the SGX-ST.

Potential dilution in the event that Warrants are not exercised

In the event that an Entitled Shareholder does not exercise any Warrants taken up under the Warrants Issue while the other Warrants issued are exercised, such Entitled Shareholder's interest in the Company may be diluted or varied.

Future sale of Shares could adversely affect the Share and/or Warrant price

Any future sale or availability of Shares can have a downward pressure on the Share and/or Warrant price. The sale of a significant amount of Shares in the public market, or the perception that such sales may occur, could materially affect the market price of the Shares and/or Warrants. There is no restrictions on the ability of the Substantial Shareholders to sell their Shares and/or Warrants either on the SGX-ST or otherwise.

-
- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

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

-
- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

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

-
12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.

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

-
13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
- (a) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

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

-
14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

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

Significant Changes

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

Save as disclosed in this Offer Information Statement, public announcements made by the Company or elsewhere in the public domain by the Company, the Directors are not aware of any event which has occurred since 30 June 2014 up to the Latest Practicable Date which may have a material effect on the results of the Group.

Meaning of “published”

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

Noted.

Part VI: THE OFFER AND LISTING

Offer and Listing Details

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

The Issue Price for each Warrant is S\$0.0015, payable in full on acceptance and/or application, and expenses incurred in connection with the Warrants Issue will not be specifically charged to Entitled Shareholders, their renounees or Purchasers for subscribing for their Warrants.

An administrative fee will be incurred for each successful application made through the ATMs of the Participating Bank.

The Exercise Price for each New Share is S\$0.01, payable in full upon exercise of the Warrants (subject to any adjustment under certain circumstances as provided in the Deed Poll).

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

The Shares are traded on the mainboard of the SGX-ST. There is no established market for the Warrants. However, approval in-principle was obtained from the SGX-ST on 2 July 2014 for the dealing in, listing of, and quotation for, the Warrants and the New Shares on the SGX-ST, subject to certain conditions. Please refer to paragraph 1(e) of Part X of this Offer Information Statement for further details of the conditions of the SGX-ST's approval in-principle, which is not to be taken as an indication of the merits of the Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries.

The Issue Price of S\$0.0015 for each Warrant and the Exercise Price of S\$0.01 for each Warrant were determined by the Company after taking into consideration that the Warrants Issue is a preferential offering to its existing shareholders.

The aggregate of the Issue Price and the Exercise Price of S\$0.0115 (the "**Aggregate Price**") represents a discount of approximately 87.89% to the weighted average price of S\$0.095 per Share for trades done on the SGX-ST on 28 April 2014 being the latest market day on which there were trades in the Company's Shares immediately preceding the date of the Announcement.

3. **If ---**

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

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

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

For practical reasons and as there may be prohibitions or restrictions against the offering of the Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Warrants Issue. Please refer to the section entitled "**Eligibility of Shareholders to Participate in the Warrants Issue**" of this Offer Information Statement for further details.

4. **If securities of the same class as those securities being offered are listed for quotation on any securities exchange:**

- (a) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –**
 - (i) **for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**
 - (ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**
- (b) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities**
 - (i) **for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and**
 - (ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;**

- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.
- (a) The Warrants belong to a new class of securities. No securities of the same class as the Warrants are listed for quotation on any securities exchange. The New Shares, when issued upon the exercise of the Warrants, are of the same class as the Shares and such Shares will be listed for quotation on the mainboard of the SGX-ST. The price range and volume of the Shares traded on the SGX-ST over the last 12 months immediately preceding the date of lodgement of this Offer Information Statement are as follows: –

Month	High (S\$)	Low (S\$)	Volume of Shares Traded (‘000)
August 2013	0.080	0.072	436
September 2013	0.090	0.071	2,310
October 2013	0.090	0.073	1,070
November 2013	0.090	0.072	286
December 2013	0.078	0.068	421
January 2014	0.082	0.076	1,060
February 2014	0.091	0.078	1,250
March 2014	0.092	0.087	1,230
April 2014	0.100	0.093	2,890
May 2014	0.118	0.095	1,630
June 2014	0.118	0.108	1,060
July 2014	0.126	0.110	5,890
1 August 2014 to Latest Practicable Date	0.127	0.108	2,853

Source: Bloomberg Finance L.P.⁽¹⁾

Note:

- (1) The information in the table is extracted from the website of Bloomberg Finance L.P. The Company has not sought the consent of Bloomberg Finance L.P. nor has Bloomberg Finance L.P. consented to the inclusion of the relevant information extracted from the relevant website and disclaims any responsibility in relation to reliance on these statistics and information and Bloomberg Finance L.P. is thereby not liable for such information under Sections 253 and 254 of the SFA. While reasonable actions have been taken by our Directors to ensure that the relevant information is reproduced in its proper form and context, and that the information is extracted accurately and fairly from the relevant website, the Company or the Manager have not conducted an independent review of the information contained in the relevant website and have not verified the accuracy of the information.
- (b) Not applicable as the Shares have been listed and quoted for more than twelve (12) months immediately preceding the Latest Practicable Date.
- (c) There has been no trading suspension of the Company’s securities listed on the SGX-ST during the 3 years immediately preceding the Latest Practicable Date.

- (d) Please refer to paragraph 4(a) of this part for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date. Based on the information set out in the table under paragraph 4(a) of this Part VI of this Offer Information Statement, the Shares are regularly traded on the SGX-ST.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide

- (a) **a statement of the rights, preferences and restrictions attached to the securities being offered; and**
- (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

The Warrants will, upon issue, be a new class of securities. Each Warrant entitles the Warrant Holder thereof to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions to be set out in the Deed Poll.

The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distribution, the Record Date of which falls on or after the relevant date of issue of the New Shares.

The Warrants will be issued pursuant to a general mandate to issue Shares and other convertible securities ("**General Mandate**") given by Shareholders at the Company's Annual General Meeting held on 16 April 2014. The General Mandate authorizes the Directors of the Company from the date of the above mentioned Annual General Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to existing Shareholders of the Company.

Plan of Distribution

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

The Warrants Issue is made on a renounceable non-underwritten basis to Entitled Shareholders at an issue price of S\$0.0015 for each Warrant, on the basis of four (4) Warrants for every ten (10) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. The Warrants are payable in full upon acceptance and/or application. The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distribution, the Record Date of which falls on or after the relevant date of issue of the New Shares.

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

will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Warrants, or have representation (direct or through a nominee) on the Board, will rank last in priority.

The Warrants will not be underwritten and will not be offered through any broker or dealer.

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

In view of the Irrevocable Undertakings, the Exercise Price being a discount of approximately 89.47% to the weighted average price of S\$0.095 per Share for trades done on the SGX-ST on 28 April 2014 (being the latest market day on which there were trades in the Company’s Shares immediately preceding the date of the Announcement) and the savings in costs by the Company in respect of no underwriting fees, the Company has decided to proceed with the Warrants Issue on a non-underwritten basis and no placement or selling agents have been appointed in relation to the Warrants Issue.

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

Not applicable. There is no underwriter appointed pursuant to the Warrants Issue.

PART VII: ADDITIONAL INFORMATION

Statements by Experts

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

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

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

Consents from Issue Managers and Underwriters

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

Hong Leong Finance Limited, as the Manager of the Warrants Issue, has given, and has not withdrawn, its written consent to the issue of this Offer Information Statement with the inclusion of its name and all references thereto, in the form and context in which it appears in this Offer Information Statement.

Other Matters

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

Save as disclosed in this Offer Information Statement and to the best of the Directors' knowledge, the Directors are not aware of any other matters which could materially affect, directly or indirectly the Group's business operations or financial position or the investments by holders of the Shares 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.

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

1. Provide -

(a) the particulars of the rights issue;

Principal Terms of the Warrants Issue

- | | | |
|--|---|---|
| Number of Warrants | : | Up to 166,683,200 Warrants. |
| Issue Price | : | The issue price of S\$0.0015 for each Warrant. |
| Basis of Provisional Allotment | : | Four (4) Warrants for every ten (10) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. |
| Exercise Price | : | The price of S\$0.01 for each New Share on the exercise of a Warrant, which price will be subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll. |
| Status of New Shares | : | The New Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing Shares for any dividends, rights, allotments or other distribution, the Record Date of which falls on or after the relevant date of issue of the New Shares. |
| Listing of the Warrants and the New Shares | : | The SGX-ST has granted approval in-principle on 2 July 2014 for the listing of, and quotation for, the Warrants and the New Shares on the SGX-ST (subject to certain conditions as described under paragraph 1(e) of Part X of this Offer Information Statement). The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries. |
| Trading | : | The Warrants will be listed and traded on the mainboard of the SGX-ST under the book-entry (scripless) settlement system upon the listing of and the quotation for the Warrants on the mainboard of the SGX-ST, subject to, inter alia, a sufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 1,000 Warrants or such other number as may be notified by the Company. |
| Form and Subscription Rights | : | The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants to be set out in the Deed Poll, each Warrant will entitle the Warrant holder, at any time during the Exercise Period, to subscribe for one (1) New Share at the Exercise Price in force on the relevant Exercise Date. |

Exercise Period : The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. (Singapore time) on the Market Day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the date the Warrants may be exercised or the exercise period shall expire on the date prior to the closure of the Register of Members of the Company or the immediately preceding Market Day, but excluding such period(s) during which the Warrant Register may be closed pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll. Warrants remaining unexercised after the expiry of the exercise period shall lapse and cease to be valid for any purpose.

Payment of Exercise Price : Warrant Holders who exercise their Warrants must pay the Exercise Price by way of (a) a remittance in Singapore currency by banker's draft or cashier's order drawn on a financial institution operating in Singapore in favour of the Company; or (b) subject to the Warrants being listed on the mainboard of the SGX-ST and CPF regulations then prevailing, by debiting the relevant Warrant Holder's CPF Investment Account with the specified CPF Approved Bank for the credit of the Specified Account (each term as defined in the Deed Poll), or (c) subject to the Warrants being listed on the mainboard of the SGX-ST and CPF regulations then prevailing, partly in the form of remittance and/or partly by debiting such Warrant Holder's CPF Investment Account with the CPF Approved Bank for the credit of the Specified Account.

The procedures for acceptance, excess application and payment by Entitled Depositors and the procedures for acceptance, renunciation, excess application and payment by Entitled Scripholders are set out in Appendices B, C and D of this Offer Information Statement.

Adjustments : The Exercise Price and the number of Warrants to be held by each Warrant Holder will, after their issue, be subject to adjustments under certain circumstances to be set out in the Deed Poll. Such circumstances include any consolidation, subdivision or conversion of the Shares, capitalisation issues, rights issues and certain capital distributions.

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

Modification of Rights of Warrant :
Holders

The Company may, without the consent of the Warrant Holders but in accordance with the terms of the Deed Poll, effect any modification to the terms of the Deed Poll including the terms and conditions of the Warrants which, in the opinion of the Company is:-

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

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

In addition, any material alteration to the terms of the Warrants to the advantage of the Warrant Holders is subject to the approval of the Shareholders except where the alterations are made pursuant to the terms and conditions to be set out in the Deed Poll.

Except where the alterations are made pursuant to the terms of the Warrants to be set out in the Deed Poll, the Company must not:

- (a) extend the Exercise Period of an existing Warrant; or
- (b) issue a new company warrant to replace an existing Warrant; or
- (c) change the Exercise Price of an existing Warrant (other than an adjustment of the Exercise Price pursuant to Warrant condition 5); or
- (d) change the exercise ratio of an existing Warrant.

Transfer and transmission : The Warrants shall be transferable in lots entitling the Warrant Holder to subscribe for whole number of Shares.

A Warrant which is not registered in the name of CDP may only be transferred in the manner set out in the terms and conditions of the Warrants. Any transfer of Warrants registered in the name of CDP shall be effected subject to and in accordance with the terms and conditions of the Warrant, applicable law and rules of CDP, as amended from time to time, and where the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry.

The executors and administrators of a deceased Warrant Holder whose Warrants are registered other than in the name of CDP (not being one of several joint holders whose Warrants are registered other than in the name of CDP) or, if the registered holder of the Warrants is CDP, of a deceased Depositor and, in the case of the death of one or more of several joint Warrant Holders, the survivor or survivors of such joint holders, shall be the only persons recognized by the Company and the Warrant Agent as having any title to the Warrants registered in the name of the deceased Warrant Holder/Depositor. Such persons shall be entitled to be registered as a holder of the Warrants upon the production to the Company and the Warrant Agent of such evidence as may be required by the Company and the Warrant Agent to prove their title and on compliance with the other relevant provisions to be set out in the Deed Poll.

A transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent or in the Depository Register by CDP, as the case may be.

Warrant Agent : Boardroom Corporate & Advisory Services Pte. Ltd. or such other person, firm, or company as may be approved from time to time be appointed by the Company under the Warrant Agency Agreement

Governing Law : Laws of the Republic of Singapore

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

The last date and time for splitting of the provisional allotment of the Warrants is on **28 AUGUST 2014 at 5.00 p.m.**

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

The last date and time for acceptance of and payment for the Warrants is on **3 SEPTEMBER 2014 at 5.00 p.m.** (or **9.30 p.m.** for Electronic Applications).

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

The last date and time for renunciation of and payment by the renounee for the Warrants is on **3 SEPTEMBER 2014 at 5.00 p.m.** (or **9.30 p.m.** for Electronic Applications).

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

The allotment and issue of the Warrants are governed by the terms and conditions as set out in this Offer Information Statement, in particular, Appendices B, C and D of this Offer Information Statement and in the PAL, WEWAF and the WAF.

On 2 July 2014, the SGX-ST granted approval in-principle for the dealing in, listing of, and quotation for, the Warrants and the New Shares on the SGX-ST, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) announcement by the Company to provide clarity on whether the option to scale down as disclosed in paragraph 2.4 of the Company's announcement of 6 May 2014 has any impact on the ability of the substantial shareholders, Cheng Woei Fen and Quek Chiau Liong to fulfil their obligations under their Irrevocable Undertakings as disclosed in paragraph 3 of the aforementioned announcement;
- (c) a written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) of the SGX-ST Listing Manual in relation to the use of the proceeds from the Rights Issue and exercise of Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (d) a written confirmation from financial institution(s) as required under the Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfill their obligations under its undertakings;
- (e) a written confirmation from the Company that there is a satisfactory spread of warrant holders to provide an orderly market for the warrants in compliance with Listing Rule 826(b);
- (f) a written confirmation from the Company that the terms of the Warrants issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Listing Rule 829(1);
- (g) a written confirmation from the Company that Listing Rule 877(10) will be complied with in relation to the allotment of any excess warrants; and
- (h) a written undertaking from the Company that Listing Rules 820, 830 and 831 will be complied with.

Shareholders should note that the approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries. Furthermore, the SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.

(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

To demonstrate their support for the Warrants Issue, each of Cheng Woei Fen and Quek Chiau Liong (collectively, "**Undertaking Shareholders**") has provided the Company with an irrevocable undertaking to subscribe and pay for, and/or procure the subscriptions and payment for, their respective Warrants entitlements under the Warrants Issue, based on the number of Shares held by each of them as at the date of their respective irrevocable undertaking ("**Irrevocable Undertakings**").

As at the date of the Irrevocable Undertakings, Cheng Woei Fen and Quek Chiau Liong, hold 199,284,000 and 36,540,000 Shares respectively representing approximately 47.82% and 8.77% respectively of the Existing Issued Capital of the Company. Accordingly, they will be entitled to subscribe for an aggregate of 94,329,600 Warrants.

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

In view of the Irrevocable Undertakings, the Exercise Price being a discount of approximately 89.47% to the weighted average price of S\$0.095 per Share for trades done on the SGX-ST on 28 April 2014 (being the latest market day on which there were trades in the Company's Shares immediately preceding the date of the Announcement) and the savings in costs by the Company in respect of no underwriting fees, the Company has decided to proceed with the Warrants Issue on a non-underwritten basis.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUE UNDER
APPENDIX 8.2 OF THE LISTING MANUAL**

Working Capital

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 as at 31 December 2011, 31 December 2012, 31 December 2013 and 30 June 2014 were as follows:

	Audited as at 31 December 2011 S\$'000	Audited as at 31 December 2012 S\$'000	Audited as at 31 December 2013 S\$'000	Unaudited as at 30 June 2014 S\$'000
Current assets				
Inventories	1,807	8,523	6,148	7,462
Trade and other receivables	17,144	18,408	21,046	14,869
Income tax recoverable	–	98	–	–
Cash and cash equivalents	23,406	12,442	17,222	20,671
Total current assets	42,357	39,471	44,415	43,002
Current liabilities				
Trade and other payables	10,531	9,807	13,178	9,863
Loans and borrowings	625	889	794	661
Current tax payable	641	185	327	404
Total current liabilities	11,797	10,881	14,299	10,928
Net current assets	30,560	28,590	30,116	32,074

A review of the working capital of the Group as at 31 December 2011, 31 December 2012, 31 December 2013 and 30 June 2014 is set out below.

FY2012 vs FY2011

The increase in inventories in FY2012 as compared to FY2011 was mainly due to an increase in contract work in progress in excess of progress billings from project works that commenced during FY2012.

The decrease in cash and cash equivalents in FY2012 was mainly due to payments to suppliers for the work-in-progress, acquisition of fixed assets, as well as dividend paid in the second quarter of FY2012.

The increase in loans and borrowings in FY2012 as compared to FY2011 was as a result of the hire purchase financing taken up to fund the acquisition of three cranes in the fourth quarter of FY2012.

The decrease in current tax payable was mainly due to income tax payments made in FY2012.

FY2013 vs FY2012

The decrease in inventories in FY2013 as compared to FY2012 was mainly due to lower volume of work-in-progress from projects which were recognised according to the percentage of completion method.

The increase in trade and other receivables in FY2013 was mainly due to billings on jobs completed during the fourth quarter of FY2013.

The increase in cash and cash equivalents in FY2013 was mainly due to the increased profitability and higher revenue, converting work-in-progress into cash and lower tax payment made with respect to the lower profit in FY2012.

The decreased in loans and borrowings in FY2013 was mainly due to the repayment of hire purchase instalments and the redemption of the term loan in FY2013.

Tax payable increased in FY2013 in view of the higher profit for the year.

1H2014 vs FY2013

The increase in inventories was mainly due to higher volume of work-in-progress from projects which were recognised according to the percentage of completion method.

Trade and other receivables decreased due to the realisation of receivables during the period.

The increase in cash and cash equivalents in 1H2014 was mainly due to the increased profitability and realisation of receivables. Dividends of S\$1.0 million in respect of FY2013 was paid in May 2014.

The decrease in loans and borrowings was mainly due to the repayment of hire purchase instalments.

The decrease in trade and other payables was due to the settlement of payables and lower sub-contracting charges incurred during the quarter due to the lower revenue.

Convertible Securities

(i) where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Rules;

Information required under Rule 832 of the Listing Manual are as follows:-

- (1) The maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities;
- (2) The period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires;
- (3) The amount payable on the exercise of the company warrants or other convertible securities;
- (4) The arrangements for transfer or transmission of the company warrants or other convertible securities;
- (5) The rights of the holders on the liquidation of the issuer;
- (6) The arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer;
- (7) The rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer;
- (8) A summary of any other material terms of the company warrants or other convertible securities;
- (9) The purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of the company warrants or other convertible securities; and
- (10) The financial effects of the issue to the issuer.

For further information in relation to the disclosures required under Rules 832(1) to (8) of the Listing Manual, please refer to “**Principal Terms of the Warrants Issue**” under paragraph 1 of Part X of this Offer Information Statement.

For details relating to the net proceeds of the Warrants, please refer to paragraph 3 of Part IV of this Offer Information Statement.

The financial effects of the Warrants Issue as presented herein:

- (a) are prepared solely for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group immediately after the completion of the Warrants Issue;
- (b) are based on the audited consolidated financial statements of the Group for FY2013; and
- (c) assume that the Warrants and the New Shares (as the case may be) had been issued, in respect of consolidated income and consolidated statements of comprehensive income on 1 January 2013, and in respect of balance sheets on 31 December 2013.

Share Capital	No. of Shares	S\$
Issued share capital as at 31 December 2013 (excluding treasury shares)	416,708,000	24,528,000
Add: New Shares arising from the exercise of all the Warrants	166,683,200 ⁽¹⁾	1,666,832
Issued share capital (excluding treasury shares) after the Warrants Issue and the exercise of all the Warrants	583,391,200	26,194,832

Note:

(1) Assuming that there are no adjustments to the number of Warrants.

There will be no effect on the issued and paid-up share capital of the Company immediately after the issue of the Warrants and before the exercise of any of the Warrants.

NTA of the Group

The effect of the Warrants Issue on the NTA of the Group based on the audited consolidated balance sheet of the Group as at 31 December 2013 is as follows:

<u>NTA</u>	S\$'000
NTA before the Warrants Issue	50,420
Add: Net Proceeds from the Warrants Issue	50
Adjusted NTA after the Warrants Issue but before exercise of the Warrants	50,470
Add: Proceeds from the exercise of all the Warrants	1,667
Adjusted NTA after the Warrants Issue and assuming exercise of all the Warrants	52,137
<i>Before the Warrants Issue</i>	
Total number of issued Shares as at 31 December 2013	416,708,000
NTA per Share (cents) before the Warrants Issue	12.10
<i>Immediately after the Warrants Issue but before the exercise of the Warrants</i>	
Total number of issued Shares as at 31 December 2013	416,708,000
Adjusted NTA per Share (cents)	12.11
<i>After the Warrants Issue and assuming exercise of all the Warrants</i>	
Total number of Shares	583,391,200
Adjusted NTA per Share (cents)	8.94

Earnings and EPS

The enlarged share capital of the Company following the Warrants Issue may have a dilutive effect on the EPS in the event future earnings do not increase to a level commensurating with the earnings dilution arising from the enlarged share capital of the Company. The future effect of the Warrants Issue on the Group's earnings will in turn depend on the earnings or returns realised from the proceeds from the Warrants Issue and is not determinable at this point in time.

Based on the audited consolidated profit and loss statement of the Group for FY2013 and assuming the Warrants Issue had occurred at the beginning of FY2013, the estimated financial effects of the Warrants Issue on the EPS of the Group are as follows:

Profit attributable to Shareholders for FY2013 (S\$'000)	3,090
EPS before the Warrants Issue – diluted (cents)	0.74 ⁽¹⁾
EPS after the Warrants Issue – diluted (cents)	0.53 ⁽²⁾

Notes:

- (1) Based on the weighted average number of Shares in issue of 416,708,000 Shares in FY2013.
- (2) Based on the assumption that a total of 166,683,200 Warrants were exercised and the New Shares arising from the exercise of the Warrants were in issue at the beginning of FY2013, and added to the weighted average number of Shares in issue in FY2013.

Net Cash Position

The effect of the Warrants Issue on the cash position of the Group, based on the audited consolidated financial statements of the Group for FY2013 is as follows:

	S\$'000
Cash and cash equivalent as at 31 December 2013	17,222
Less: Borrowings as at 31 December 2013	2,285
Adjusted net cash position before the Warrants Issue	<u>14,937</u>
Add: Net proceeds from the Warrants Issue	50
Adjusted net cash position after the Warrants Issue but before exercise of the Warrants	<u>14,987</u>
Add: Proceeds from the exercise of all the Warrants	1,667
Adjusted net cash position after the Warrants Issue and assuming exercise of all Warrants	<u><u>16,654</u></u>

- (i) **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 commence**

Not Applicable. The Warrants Issue is not underwritten.

Manager's Responsibility Statement

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

APPENDIX A – TERMS AND CONDITIONS OF WARRANTS

1. Definitions

For the purposes of these Conditions and subject as otherwise provided herein:

“**Act**” means the Companies Act, Chapter 50 of Singapore, as amended from time to time;

“**Approved Adviser**” means any Singapore qualified accountant or reputable bank, merchant bank, financial institution or holder of a capital market services licence in Singapore that is regulated, licensed or approved by the Monetary Authority of Singapore as may be selected by the Directors;

“**Auditors**” means the auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors or, in the event of them being unable or unwilling to carry out any action requested of them pursuant to the provisions of the Deed Poll or the Conditions, such other auditors as may be nominated by the Company;

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

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

“**CPF Act**” means the Central Provident Fund Act, Chapter 36 of Singapore as amended from time to time;

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

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

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

“**CPF Regulations**” means the Central Provident Fund (Investment Schemes) Regulations as amended from time to time;

“**Depositor**” means an account holder or a depository agent but does not include a sub-account holder;

“**Depository**” shall have the meanings ascribed to it in Section 130A of the Act;

“**Depository Register**” means the register maintained by the Depository pursuant to Division 7A of Part IV of the Act in respect of the Warrants registered in the name of the Depository and held by the Depository for the Depositors;

“**Directors**” means the directors for the time being of the Company;

“**Exercise Date**” means, in relation to the exercise of a Warrant, the Business Day (falling within the Exercise Period) on which the applicable conditions referred to in Condition 4(A) are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, Provided always that if any such day falls on a date when the Register of Members of the Company is closed, then the Exercise Date shall be the next following Business Day on which the Register of Members of the Company is open;

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

“Exercise Period” means the period commencing on (and including) the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the Exercise Period shall expire on the date prior to the closure of the Register of Members of the Company or the immediate preceding Market Day, but excluding such period(s) during which the Register may be closed pursuant to Condition 4(F) below;

“Exercise Price” means, in respect of each Warrant, S\$0.01 for each subject to adjustment in accordance with Condition 5 below;

“Expiration Date” means the last date of the Exercise Period;

“Market Day” shall have the meaning ascribed to it in the Listing Manual of the SGX-ST;

“Register” means the Register of Warranholders to be maintained by the Warrant Agent pursuant to Condition 4(F) below;

“Registrar” means Boardroom Corporate & Advisory Services Pte. Ltd. or such other person, firm or company as may be appointed as the Share Registrar from time to time by the Company;

“S\$” means the lawful currency of Singapore;

“Securities Account” means a securities account maintained by a Depositor with the Depository;

“Shares” means ordinary shares in the capital of the Company;

“Designated Account” means an account of the Company which the Company may designate from time to time for the purpose of crediting moneys paid by exercising Warranholders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warranholders;

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

“Warrant Agency Agreement” means the Warrant Agency Agreement dated 14 August 2014 appointing, *inter alia*, the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment;

“Warrant Agent” means Boardroom Corporate & Advisory Services Pte. Ltd. or such other person as may be appointed as warrant agent from time to time by the Company pursuant to the Warrant Agency Agreement;

“Warrant Certificates” means the certificates (in registered form) to be issued in respect of the Warrants substantially in the form set out in Schedule 1, as from time to time modified in accordance with the provisions set out herein; and

“Warranholders” means the registered holders of the Warrants, except that where the registered holder is the Depository, the term **“Warranholders”** shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Account(s) with the Depository are credited with Warrants, provided that for the purposes of Schedule 2 of the Deed Poll relating to meetings of Warranholders, such Warranholders shall mean those Depositors having Warrants credited to their Securities Account(s) as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of a meeting of Warranholders supplied by the Depository to the Company. The word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly.

These Conditions must be interpreted in such a manner that is not inconsistent with the listing manual of SGX-ST. In the event of any inconsistency between these Conditions and the listing manual of SGX-ST, such inconsistent provision(s) in the Condition(s) shall be amended, varied, interpreted, substituted or otherwise changed to be consistent with the requirements of listing manual of SGX-ST.

2. Form and Title

The Warrants are issued in registered form. Title to the Warrants shall be transferable in accordance with Condition 9. The Warrant Agent shall maintain the Register on behalf of the Company and except as required or provided by law:

- (i) the registered holder of the Warrants (other than the Depository); and
- (ii) (where the registered holder of the Warrants is the Depository) each Depositor for the time being appears in the records maintained by the Depository as having Warrants credited to its Securities Account(s),

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

If two or more persons are entered in the Register or (as the case may be) the records maintained by the Depository, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:

- (i) the Company shall not be bound to register more than two persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warrant holder;
- (ii) joint holders of any Warrant whose names are entered in the Register or (as the case may be) the records maintained by the Depository shall be treated as one Warrant holder;
- (iii) the Company shall not be bound to issue more than one Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register shall be sufficient delivery to all; and
- (iv) the joint holders of any Warrant whose names are entered in the Register or (as the case may be) the records maintained by the Depository shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrants.

3. Exercise Rights

- (A) Upon and subject to these Conditions, each Warrant holder shall have the right, by way of exercise of each Warrant, at any time during normal business hours on any Business Day during the Exercise Period in the manner set out in Condition 4 and otherwise on the terms of and subject to the Conditions set out below, to subscribe for one (1) Share at the Exercise Price, subject to adjustments in accordance with Condition 5, on the Exercise Date applicable to such Warrant. The Exercise Price shall, on the Exercise Date, be applied towards payment for the Shares to be issued on the exercise of the relevant Warrant. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company. No fraction of a Share shall be allotted.

- (B) At the expiry of the Exercise Period, any Warrants which have not been exercised in accordance with Condition 4 will lapse and cease to be valid for any purpose.
- (C) Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.

4. **Procedure for Exercise of Warrants**

(A) Lodgment Conditions

In order to exercise one or more **Warrants**, a Warrantholder must fulfill the following conditions:

- (i) lodgment before 3.00 p.m. on any Business Day during the Exercise Period (and by 5.00 p.m. on the date of issue of the Warrants and the Expiration Date) of the relevant Warrant Certificate registered in the name of the exercising Warrant holder for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent and which are in the form or substantially in the form prescribed by the Deed Poll, duly completed and signed by or on behalf of the exercising Warrant holder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;
- (ii) the furnishing of such evidence (if any, including evidence of nationality) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise ensure the due exercise of the Warrants and such other evidence as the Company may require to verify due compliance for the purpose of administering and implementing the provisions set out in these Conditions;
- (iii) the payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4(B) below;
- (iv) the payment of deposit or other fees for the time being chargeable by, and payable to, the Depository (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
- (v) the payment of the expenses for, and the submission of any necessary documents required in order to effect, the registration of the new Shares in the name of the exercising Warrantholder or the Depository (as the case may be), and the delivery of the certificates for such new Shares and any property or other securities to be delivered upon the exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to the Depository (as the case may be).

Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on:

- (a) the number of Warrants so exercised being available in the "Free Balance" of the Securities Account of the exercising Warrantholder with the Depository and remain so credited until the relevant Exercise Date; and

- (b) the relevant Exercise Notice specifying that the new Shares arising on exercise of the Warrants are to be credited to the Securities Account of the exercising Warrantholder, or in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price, are to be credited to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warrantholders whose Warrants are registered in the name of the Depository irrevocably authorise the Company and the Warrant Agent to obtain from the Depository and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the above mentioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Deed Poll and to take such steps as may be required by the Depository (including steps set out in the Depository's procedures for the exercise of warrants as set out in its "Guideline to the Procedures for Exercise of Warrants/TSR's (Warrants)" as amended from time to time) in connection with the operation of the Securities Account of any Warrantholder, provided that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by any Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the Depository Register or the records of and information supplied by or statements or certificates of the Depository.

Once all the above mentioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any moneys tendered in or towards payment of the Exercise Price in accordance with Condition 4(B) below may not be withdrawn without the consent in writing of the Company.

(B) Payment of Exercise Price

Payment of the Exercise Price shall be made to the specified office of the Warrant Agent:

- (i) by way of a remittance in Singapore currency by Banker's Draft or Cashier's Order drawn on a bank operating in Singapore in favour of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised; or subject to the Warrants being listed on the Main Board of the SGX-ST, by debiting the relevant Warrantholder's CPF Investment Account with the CPF Approved Bank as specified in the Exercise Notice, for the credit of the Designated Account for the full amount of the Exercise Price payable in respect of the Warrants exercised; or
- (ii) subject to the Warrants being listed on the Main Board of the SGX-ST, partly in the form of remittance and/or partly by debiting such Warrantholder's CPF Investment Account with the CPF Approved Bank for the credit of the Designated Account such that the aggregate amount of such remittance and/or the amount credited to the Designated Account by the CPF Approved Bank is equal to the amount of the Exercise Price payable in respect of the Warrants exercised.

Each such payment shall be made free of any foreign exchange commissions, remittance charges or other deductions and any Banker's Drafts or Cashier's Orders shall be endorsed on the reverse side with the number of Warrants exercised and (i) the name of the exercising Warrantholder and (ii) the certificate numbers of the relevant Warrant Certificates or, if the relevant Warrant Certificates are registered in the name of the Depository, the Securities Account(s) of the exercising Warrantholder which is to be debited with the Warrants being exercised and in each case compliance must also be made with any exchange control or other statutory requirements for the time being applicable.

If the payment advice fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may accordingly be delayed or treated as invalid and neither the Warrant Agent nor the Company shall be liable to the Warrantholder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Designated Account (subject to Condition 4(D) below) unless and until a further payment is made in accordance with the requirements set out above in this Condition 4(B) in an amount sufficient to cover the deficiency provided that the Company will not be held responsible for any loss arising from any retention of such payment by the Warrant Agent.

(C) Exercise Date

A Warrant shall (provided the provisions of Condition 4 have been satisfied) be treated as exercised on the Exercise Date which shall be the Business Day (falling within the Exercise Period) on which all the conditions for and provisions relating to the exercise of the Warrant have been fulfilled or, if fulfilled on different dates, the last of such dates provided that if any Warrant is exercised on a date when the Register is closed, the Exercise Date shall be the earlier of the next following Business Day on which such Register is open and the expiry of the Exercise Period.

The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of instructions as to the cancellation of the Warrants and the said Warrant Certificates.

(D) Designated Account

Payment of the Exercise Price received by the Warrant Agent for credit to the Designated Account will be available for release to the Company on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of instructions as to the cancellation of the Warrants and the said Warrant Certificates.

If such payment is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount of the Exercise Price or the conditions set out in Condition 4(A) above have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Designated Account pending recognition of such payment or full payment or fulfilment of the lodgment conditions set out in Condition 4(A), as the case may be, but on whichever is the earlier of (i) the fourteenth (14) day after receipt of such Exercise Notice by the Warrant Agent and (ii) the Expiration Date, such payment will (if the Exercise Date in respect of such Warrant(s) has not by then occurred) be returned, without interest, to the person who remitted such payment. The Warrant Agent will, if it is possible to relate the payment so received to any Warrant Certificates (if applicable), and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice to the exercising Warrantholder at the risk and expense of such Warrantholder. The Company will be entitled to deduct or otherwise recover from the exercising Warrantholder any applicable handling charges and out-of-pocket expenses

of the Warrant Agent. So long as any particular payment remains credited to the Designated Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warrantheader but it may only be withdrawn within the abovementioned fourteen (14) day period with the consent in writing of the Company. The Warrant Agent will be entitled to deduct or otherwise recover from the exercising Warrantheader any applicable handling charges and out-of-pocket expenses.

(E) Allotment of Shares and Issue of Balancing Warrant Certificates

A Warrantheader exercising Warrants which are registered in the name of the Depository must elect in the Exercise Notice to have the delivery of Shares arising from the exercise of such Warrants to be effected by crediting such Shares to the Securities Account of such Warrantheader or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice within five (5) Market Days of the date on which the Warrant Agent confirms with the Depository that the Warrants which have been tendered for exercise are available for exercise in the relevant Securities Account of the exercising Warrantheader. A Warrantheader exercising Warrants which are registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Shares arising from the exercise of such Warrants or to have the delivery of such Shares effected by crediting such Shares to his Securities Account with the Depository.

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

- (i) where such Warrantheader has elected in the Exercise Notice to receive physical share certificates in respect of the Shares arising from the exercise of the relevant Warrants, the Company shall dispatch, as soon as practicable but in any event not later than five (5) Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantheader the certificates relating to such Shares registered in the name of such Warrantheader; or
- (ii) where such Warrantheader has elected in the Exercise Notice to have the delivery of Shares arising from the exercise of the relevant Warrants to be effected by the crediting of the Securities Account of such Warrantheader as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five (5) Market Days after the relevant Exercise Date dispatch the certificates relating to such Shares in the name of, and to, the Depository for the credit of the Securities Account of such Warrantheader as specified in the Exercise Notice (in which case, such Warrantheader shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository), failing which such exercising Warrantheader shall be deemed to have elected to receive physical share certificates in respect of such Shares at his address specified in the Register.

Where a Warrantheader exercises part only (and not all) of the subscription rights represented by Warrants which are registered in the name of the Depository, the number of Warrants represented by the Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

Where a Warrantheader exercises part only (but not all) of the subscription rights represented by Warrants which are registered in his name, the Company shall dispatch a balancing Warrant Certificate in the name of the exercising Warrantheader in respect of any Warrants remaining unexercised (as defined in the Deed Poll) by ordinary post to the address specified in the relevant Exercise Notice and at the risk of that Warrantheader at the same time as it delivers in accordance with the relevant Exercise Notice the certificate(s) relating to the Shares arising upon exercise of such Warrants.

(F) Register of Warranholders

The Warrant Agent shall maintain a register (the “**Register**”) containing particulars of the Warranholders (other than Warranholders who are Depositors) and if the Depository holds any Warrants, the Depository and such other information relating to the Warrants as the Company may require. The Register shall be closed during such periods as the Register of Transfers of the Company may be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants under Condition 5 or during such other period as the Company may determine. Notice of the closure of the Register will be given to the Warranholders in accordance with Condition 13.

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

Except as required by law:

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

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

(G) Warrant Agent and Registrar

The names of the initial Warrant Agent and the Registrar and their respective specified offices are set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent or the Registrar and to appoint an additional or another Warrant Agent or another Registrar, provided that it shall at all times maintain a Warrant Agent and a Registrar having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent or the Registrar shall be given to the Warranholders in accordance with Condition 13.

Warrant Agent and Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

5. **Adjustments of Exercise Price and Number of Warrants**

- (A) Subject to approval, if necessary, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Approved Adviser and/or the Auditors and certified to be in accordance with Condition 5(B) below by the Auditors. The Exercise Price and/or the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:
- (i) any consolidation, subdivision, or conversion of Shares; or
 - (ii) an issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital reserves other than an issue of Shares to its members (“**Members**”) who had an option to take cash or other dividend in lieu of the relevant Shares); or
 - (iii) a Capital Distribution (as defined below) made by the Company to its Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which in lost or unrepresented by available assets); or
 - (iv) an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights or bonus issue of company warrants; or
 - (v) an issue (other than pursuant to a rights issue available to all Members, requiring an adjustment under Condition 5(A)(iv) above and other than an issue of Shares to Members who had an option to take cash or other dividend in lieu of the relevant Shares) of Shares by the Company, if the Total Effective Consideration (as defined below) for each Share is less than ninety per cent. (90.0%) of the Current Market Price for each Share (calculated as provided below).

If an offer or invitation for the acquisition of Shares is made to the Members by a person other than the Company, then the Company shall so far as it is able procure that at the same time an offer or invitation is made to the then Warrantholders provided always that the failure by the Company to procure that an offer or invitation is so made as aforesaid shall not be a breach by the Company of its obligations under these Warrant Conditions and Deed Poll.

- (B) Subject to approval, if necessary, these Conditions and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5(A)(i) to (v) above or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Adviser and/or Auditors shall determine):
- (i) Consolidation or Subdivision or Conversion of Shares

If, and whenever, consolidation or subdivision or conversion of the Shares occurs, the Exercise Price shall be adjusted in the following manner:

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

and the number of Warrants shall be adjusted in the following manner:

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

where:

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

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

X = the existing Exercise Price; and

W = the existing number of Warrants held.

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

(ii) Capitalisation Issues

If and whenever the Company shall make any issue of Shares to its Members (whether of a capital or income nature but excluding any issue of Shares made where the Members had an option to take cash or other dividend in lieu of the relevant Shares) credited as fully paid-up by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital reserves), the Exercise Price and/or the number of Warrants shall be adjusted in the following manner:

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

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

where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to Members credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital reserves but excluding any issue of Shares made where the Members had an option to take cash or other dividend in lieu of the relevant Shares);

X = the existing Exercise Price; and

W = the existing number of Warrants held.

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

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

(iii) Capital Distribution, Rights Issues and Bonus Issue of Company Warrants

If and whenever the Company shall make:

- (a) a Capital Distribution (as defined below) to its Members whether on a reduction of capital or otherwise; or
- (b) any offer or invitation to Members by way of rights or bonus issue of company warrants whereunder they may acquire or subscribe for Shares;

then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times X$$

and, in the case of Condition 5(B)(iii)(b), the number of Warrants held by each Warrantholders shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{C}{C - D} \times W$$

where:

C = the Current Market Price on the Market Day immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement), immediately preceding the date of the Capital Distribution;

- D = (1) in the case of a transaction falling within Condition 5(B)(iii)(a), the fair market value, as determined by an Approved Adviser and/or Auditors, of that portion of the Capital Distribution attributable to one Share; and
- (2) in the case of a transaction falling within Condition 5(B)(iii)(b), the value of rights attributable to one (1) Share (as defined below);

X = as in X above; and

W = as in W above.

For the purpose of sub-paragraph (2) of D above, the “value of the rights attributable to one (1) Share” shall be calculated in accordance with the following formula:

$$\frac{C - E}{F + 1}$$

Where:

C = as in C above;

E = the subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares under the terms of such offer or invitation; and

F = the number of Share(s) which is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) Share.

For the purposes of Conditions 5(A)(iii) and 5(B)(iii) “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5(B)(ii) above) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (but excluding any issue of Shares made where the Members had an option to take cash or other dividend in lieu of the relevant Shares).

Any distribution out of profits or reserves made after 31 December 2013 shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Company or any of its subsidiaries on or before that date and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

For the purpose of this Condition 5, the “**Current Market Price**” in relation to each Share for any relevant market Day shall be the average of the last dealt prices (rounded down to the nearest S\$0.001 per Share) of Shares quoted on the Main Board of the SGX-ST for the five (5) consecutive Market Days (on each of which trading of the Shares on the Main Board of the SGX-ST has been transacted) immediately preceding that Market Day.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such Capital Distribution or such offer or invitation, as the case may be.

(iv) Concurrent Capitalisation Issue and Rights Issue

If and whenever the Company makes any allotment to its Members as provided in Condition 5(B)(ii) above and also makes any offer or invitation to its Members as provided in Condition 5(B)(iii)(b) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and/or the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(I \times C) + (J \times E)}{(I + J + B) \times C} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(I + J + B) \times C}{(I \times C) + (J \times E)} \times W$$

where:

B = as in B in Condition 5(B)(ii) “Capitalisation Issues” above;

C = as in C above;

E = as in E above;

I = the aggregate number of issued and fully paid-up Shares on the record date;

J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

W = as in W above; and

X = as in X above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares are to be made under the terms of such offer or invitation.

(v) Issues at Discount other than by way of Rights

If and whenever (otherwise than pursuant to a rights issue available to all Members alike and requiring an adjustment under Conditions 5(B)(iii)(b) or 5(B)(iv) above and other than an issue of Shares to Members who had an option to take cash or other dividend in lieu of the relevant Shares) the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than ninety per cent. (90.0%) of the Current Market Price for each Share on the SGX-ST on the date on which the issue price of such Shares is determined or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{K + L}{K + M} \times X$$

where:

K = the number of Shares in issue at the close of business on the SGX-ST on the day immediately preceding the date on which the relevant adjustment becomes effective;

L = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such Current Market Price (exclusive of expenses);

M = the aggregate number of Shares so issued; and

X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on the Market Day immediately preceding the date on which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purposes of Conditions 5(A)(v) and 5(B)(v), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Adviser and/or Auditors and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

- (C) Notwithstanding any of the provisions contained in Conditions 5(A) and (B), no adjustment to the Exercise Price and the number of Warrants will be required in respect of:
- (i) an issue by the Company of Shares to officers, including directors or employees of the Company or any of its subsidiaries, related corporations and/or associated companies pursuant to any purchase or option scheme approved by the Members in any general meeting; or
 - (ii) an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or
 - (iii) any issue by the Company of Shares pursuant to the exercise of any of the Warrants; or
 - (iv) any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares (other than arising from or by way of rights, bonus or other capitalisation issues) and the issue of Shares arising from the conversion or exercise of such securities or rights.

- (D) Any adjustment to the Exercise Price will be rounded upwards to the nearest one-tenth cent and in no event shall any adjustment involve an increase in the Exercise Price (other than upon the consolidation of Shares). No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5(B) above by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than S\$0.001 but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- (E) Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless (i) it has been certified to be in accordance with Condition 5(B) above by the Auditors and (ii) if the Warrants are listed and quoted on the SGX-ST on the Market Day immediately before such adjustment, approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants.
- (F) Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Adviser and/or the Auditors to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Adviser and/or the Auditors shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Adviser and/or Auditors to be in its opinion appropriate. Any adjustment made pursuant to this Condition 5 (unless otherwise provided under the rules of the SGX-ST from time to time) shall be announced by the Company.
- (G) Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 13 below that the Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at its registered office a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants, the Company will, as soon as practicable but not later than five (5) Market Days after the effective date of such adjustment, dispatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, to his address appearing in the Register or, in respect of Warrants registered in the name of the Depository, to the Depository.
- (H) If the Directors, the Approved Adviser and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Adviser and/or Auditors acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.

- (I) If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Adviser and/or Auditors to consider whether any adjustment is appropriate and if such Approved Adviser and/or Auditors and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- (J) Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of the SGX-ST and no approval or consent of the Warrantheolders shall be required for such buy-back of any class of shares. There shall be no adjustments to the Exercise Price and number of Warrants by reason of such buy-back of any classes of shares.
- (K) Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll, and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as the Directors may from time to time think fit including but not limited to the terms and conditions as set out herein for the Warrants.
- (L) In giving any certificate or making any adjustment hereunder, the Approved Adviser and/or Auditors shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- (M) Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants other than in accordance with the provisions of this Condition 5 shall be subject to the approval of the SGX-ST and the Warrantheolders and agreed to by the Company, and the Approved Adviser and/or the Auditors.

Any adjustments made pursuant to this Condition 5 shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company to the SGX-ST.

6. Status of Allotted Shares

Shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments and other distributions, the Record Date for which falls on or after the relevant date of issue of the New Shares. For the purpose of this Condition 6, "**Record Date**" means, in relation to any dividends, rights, allotments or other distributions, the date at the close of business on which Members must be registered in order to participate in such dividends, rights, allotments or other distributions.

7. Winding-Up of the Company

If an Extraordinary Resolution (as defined in the Deed Poll) is passed for a members' voluntary winding-up of the Company, then:

- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheolders, or some person designated by them for such purpose by Extraordinary Resolution, shall be a party, the terms of such scheme of arrangement shall be binding on all the Warrantheolders and all persons having an interest in the Warrants; and
- (ii) in any other case every Warrantheolder shall be entitled upon and subject to the Conditions at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company by irrevocable surrender of his Warrant certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s)

and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantheolders in accordance with Condition 13 below of the passing of any such resolution within seven (7) days after the passing thereof.

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

8. Further Issues

Subject to these Conditions, the Company shall be at liberty to issue Shares to Members either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantheolders shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

9. Transfer of Warrants

In order to transfer Warrants, the Warrantheolder must fulfill the following conditions:

- (i) lodgment during normal business hours of the relevant Warrant Certificate(s) registered in the name of the Warrantheolder at the specified office of the Warrant Agent together with an instrument of transfer in respect thereof (the "Transfer Form"), in the form approved by the Company, duly completed and signed by or on behalf of the Warrantheolder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty provided that the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;
- (ii) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warrantheolder;
- (iii) the payment of the registration fee of S\$2.00 (or such other amount as may be determined by the Directors) for every Warrant Certificate issued together with any stamp duty (if any) specified by the Warrant Agent to the Warrantheolder; and
- (iv) the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee.

The Warrantheolder specified in the Register shall remain the registered holder of the Warrants until the name of the transferee is entered in the Register maintained by the Warrant Agent.

If the Transfer Form has not been fully or correctly completed by the transferring Warrantheolder or the **full** amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the transferring Warrantheolder accompanied by written notice of the omission(s) and/or error(s) and requesting the transferring Warrantheolder to complete and/or amend the Transfer Form and/or to make the requisite payment.

If the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:

- (a) register the person's name in the Transfer Form as transferee in the Register as the registered holder of the Warrant in place of the transferring Warrantheolder; and
- (b) cancel the Warrant Certificate(s) in the name of the transferring Warrantheolder; and issue new Warrant Certificate(s) in respect of the Warrants in the name of the transferee.

The executors or administrators of a deceased registered Warrantheader (not being one of several joint holders) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only person(s) recognised by the Company as having any title to the Warrants registered in the name of the deceased Warrantheader. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and payment of the fees and expenses referred to in sub-paragraphs (iii) and (iv) above be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantheader could have made.

Where the Warrants are registered in the name of the Depository and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book-entry.

A transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Register by the Warrant Agent or the Depository Register by the Depository, as the case may be.

10. Replacement of Warrant Certificates

Should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced at the specified office of the Warrant Agent, upon payment by the claimant of the expenses incurred in connection therewith and the replacement fee of S\$2.00 (or such other sum being the replacement fee for the time being, which replacement fee shall not exceed the maximum sum for the time being prescribed by any applicable law) for every Warrant Certificate issued and on such terms as to evidence and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof) as the Company and/or the Warrant Agent may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued. The replacement Warrant Certificate(s) will be issued in the name of the registered holder of the Warrant Certificate(s) being replaced.

11. Warrant Agent not Acting for the Warrantheaders

In acting under the Warrant Agency Agreement, the Warrant Agent is, subject to the terms and conditions therein, acting solely as agent for the Company for certain specified purposes and does not assume any obligation or duty to or any relationship of agency or trust for the Warrantheaders.

12. Meetings of Warrantheaders and Modification

(A) The Deed Poll contains provisions for convening meetings of the Warrantheaders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Deed Poll) of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or by Warrantheaders holding not less than twenty per cent. (20.0%) of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing over fifty per cent. (50.0%) of the Warrants for the time being unexercised, or at any adjourned meeting two (2) or more persons being or representing Warrantheaders whatever the number of Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll affecting the rights of the Warrantheaders (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Period), the necessary quorum for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing not less than seventy-five per cent. (75.0%), or at any adjournment of such meeting over fifty per cent. (50.0%), of the Warrants for the time being remaining unexercised. An Extraordinary Resolution (as defined in the Deed Poll) duly passed at any meeting of Warrantheaders shall be binding on all Warrantheaders, whether or not they are

present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgment, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantheolders.

- (B) The Company may, without the consent of the Warrantheolders but in accordance with the terms and conditions of the Deed Poll, effect any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Company, (i) is not materially prejudicial to the interests of the Warrantheolders, (ii) is of a formal, technical or minor nature, (iii) is to correct a manifest error or to comply with mandatory provisions of Singapore law, or (iv) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of new Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Main Board of the SGX-ST. Any such modification shall be binding on the Warrantheolders and shall be notified to them in accordance with Condition 13 as soon as practicable thereafter. Any material alteration to the terms of the Warrants to the advantage of the Warrantheolders is subject to the approval of the Members except where the alterations are made pursuant to these conditions. Save for modifications made to the Warrants, the Warrant Agency Agreement and the Deed Poll in accordance with the Deed Poll, the Company shall not:
- (i) extend the Exercise Period of an existing Warrant;
 - (ii) the exercise ratio of an existing Warrant.

13. Notices

All notices to Warrantheolders shall be valid if published in any leading daily English language newspaper for general circulation in Singapore. If at any time publication in such newspaper is not practicable, notices shall be valid if published in such other manner as the Company, with the approval of the Warrant Agent, shall determine. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

All notices required to be given pursuant to these Conditions shall also be announced by the Company on SGXNET on the same day as such notice is first published in any leading English language newspaper in circulation in Singapore.

14. Notice of Exercise Price and the Notice of Expiration Date

- (A) The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantheolders in accordance with Condition 13, of the Expiration Date.
- (B) Additionally, the Company shall take reasonable steps to notify the Warrantheolders in writing of the above and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Warrants are registered in the name of the Depository, their addresses as shown in the records of the Depository. Proof of posting or dispatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.

15. Stamp Duty on Exercise of Warrants

The Company will pay all Singapore stamp duties (if any), in respect of the initial issue of the Warrant Certificates, the execution of the Deed Poll and otherwise as specified in the Deed Poll. Any other stamp duties, fees or charges (if any) and other fees payable to the Depository on or arising from the exercise of the Warrants, the issue and allotment of Shares arising from the exercise of the Warrants and the issue of share certificates to the Warrantheolders or to the Depository for the account of the Warrantheolders will be for the account of the relevant Warrantheolders.

16. Governing Law and Jurisdiction

- (A) The Warrants and the Deed Poll are governed by, and shall be construed in accordance with, the laws of Singapore.
- (B) The courts of Singapore are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Warrants and the Deed Poll and accordingly any legal action or proceedings arising out of or in connection with the Warrants and the Deed Poll (“the **Proceedings**”) may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to the Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

Notes:

- (1) The attention of Warranholders is drawn to Rule 14 of The Singapore Code on Take-Overs and Mergers and Sections 139 and 140 of the Securities and Futures Act, Chapter 289, as amended from time to time. In particular, a Warranholder should note that he may be under an obligation to extend a take-over offer of the Company if:
 - (a) he intends to acquire, by exercise of the Warrants, whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry thirty per cent. (30.0%) or more of the voting rights of the Company; or
 - (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30.0%) but not more than fifty per cent. (50.0%) of the voting rights of the Company, and either alone or together with persons acting in concert with him, intends to acquire additional Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one per cent. (1.0%).
- (2) The attention of Warranholders is drawn to Condition 3(B) and 3(C) of the Warrants relating to restrictions on the exercise of the Warrants.
- (3) A Warranholder who, after the exercise of the Warrants, holds not less than five per cent. (5.0%) of the aggregate of the nominal amount of the issued share capital of the Company, is under an obligation to notify the Company of his interest in the manner set out in Section 82 of the Act and Section 137 of the Securities and Futures Act.

APPENDIX B – 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 WEWAF which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2 The provisional allotments of Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions in the WEWAF.

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

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Warrants specified in the WEWAF, in full or in part, and (if applicable) apply for excess Warrants, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the WEWAF. An Entitled Depositor should ensure that the WEWAF is accurately completed and signed, failing which his acceptance of his provisional allotment of Warrants and (if applicable) application for excess Warrants 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 WEWAF is not accurately completed and signed or if the “**Free Balance**” of your Securities Account is not credited with, or is credited with less than the relevant number of Warrants accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the WEWAF or the Offer Information Statement, at CDP’s absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

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

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the WEWAF, the WAF, the PAL and/or any other application form for the Warrants and/or excess Warrants in relation to the Warrants Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the WEWAF, the WAF, the PAL, and/or any other application form for the Warrants and/or excess

Warrants in relation to the Warrants 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 Warrants, and where applicable, application for excess Warrants in relation to the Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Warrants.

- 1.4** Unless expressly provided to the contrary in this Offer Information Statement, the WEWAF and/or the WAF 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 WEWAF or the WAF has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

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

Please refer to Appendix C of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION.

IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE WEWAF AND/OR THE WAF AND/OR HAS APPLIED FOR EXCESS WARRANTS BY WAY OF THE WEWAF AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

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

- (a) complete and sign the WEWAF. In particular, he must state in Part (A) of Section (II) of the WEWAF the number of Warrants provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the WEWAF the number of excess Warrants applied for and in Section (II) of the WEWAF the respective and total amounts to be made payable to “**CDP — MUN SIONG WARRANTS ISSUE ACCOUNT**”; and

- (b) deliver the duly completed and original signed WEWAF accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Warrants accepted and (if applicable) excess Warrants applied for:
- (i) by hand to **MUN SIONG ENGINEERING LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **MUN SIONG ENGINEERING 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 3 SEPTEMBER 2014** (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 Warrants accepted and (if applicable) excess Warrants applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — MUN SIONG WARRANTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

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

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

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

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Warrants accepted by the Entitled Depositor and (if applicable) the excess Warrants applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix B 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 WEWAF, the WAF or any other application form for Warrants in relation to the Warrants Issue.

2.5 Acceptance of Part of Provisional Allotments of Warrants and Trading of the Balance of the Provisional Allotments of Warrants

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

- (a) complete and sign the WEWAF for the number of Warrants provisionally allotted which he wishes to accept and submit the duly completed and original signed WEWAF together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

- (b) accept and subscribe for that part of his provisional allotment of Warrants by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

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

Entitled Depositors who wish to trade all or part of their provisional allotments of Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Warrants will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Warrants or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Warrants as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of the Warrants in odd lots of 200 Warrants for a period of one (1) month commencing on the first Market Day on which the Warrants are listed for quotation on the Main Board of the SGX-ST. The temporary counter is provisional only. Investors who continue to hold odd lots of less than 1,000 Warrants after one (1) month from the listing of the Warrants may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Warrants.

2.6 Sale of Provisional Allotments of Warrants

The WEWAF need not be forwarded to the purchasers of the provisional allotments of warrants (“**Purchaser**”) as arrangements will be made by CDP for separate WAFs to be issued to the Purchasers whose mailing addresses maintained with CDP are in Singapore. Purchasers should note that CDP will, for and on behalf of the Company, send the WAFs, 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 WAFs are accurately completed and signed, failing which their acceptances of the provisional allotments of Warrants may be rejected. Purchasers who do not receive the WAFs, 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 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

This Offer Information Statement and its accompanying documents will not be dispatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

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

2.7 Renunciation of Provisional Allotments of Warrants

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Warrants in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Warrants which they wish to renounce. Such renunciation shall be made in accordance with the “**Terms and Conditions for Operations of Securities Accounts with CDP**”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at

least 3 Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the WAF 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 Warrants. The last time and date for acceptance of the provisional allotments of Warrants and payment for the Warrants by the renounee is **5.00 p.m. on 3 SEPTEMBER 2014** (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 Warrants by way of the WEWAF and/or the WAF and/or has applied for excess Warrants by way of the WEWAF 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 WEWAF, the WAF and (if applicable) any other acceptance of Warrants provisionally allotted to him and/or application for excess Warrants (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF FOUR (4) WARRANT FOR EVERY TEN (10) EXISTING ORDINARY SHARE AT AN ISSUE PRICE OF \$0.0015)

As an illustration, if an Entitled Depositor has 2,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 800 Warrants as set out in his WEWAF. 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 800 Warrants and (if applicable) apply for excess Warrants.	<p>(1) By way of Electronic Application. Accept his entire provisional allotment of 800 Warrants and (if applicable) apply for excess Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 3 SEPTEMBER 2014 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or</p> <p>(2) Complete and sign the WEWAF in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 800 Warrants and (if applicable) the number of excess Warrants applied for and forward the original signed WEWAF together with a single remittance for S\$1.20 (or, if applicable, such higher amount in respect of the total number of Warrants accepted and excess Warrants applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to "CDP — MUN SIONG WARRANTS ISSUE ACCOUNT" and crossed "NOT NEGOTIABLE, A/C PAYEE ONLY" for the full amount due on acceptance and (if applicable) application, by hand to MUN SIONG ENGINEERING LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588 or by post,</p>

at his own risk, in the self-addressed envelope provided to **MUN SIONG ENGINEERING 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 3 SEPTEMBER 2014** (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 MONEYORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- | | |
|--|---|
| <p>(b) Accept a portion of his provisional allotment of Warrants, for example his entitlement to 400 provisionally allotted Warrants, not apply for excess Warrants and trade the balance on the SGX-ST.</p> | <p>(1) Accept his provisional allotment of 400 Warrants out of the provisional allotment of 800 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 3 SEPTEMBER 2014 or</p> <p>(2) Complete and sign the WEWAF in accordance with the instructions contained therein for the acceptance of his provisional allotment of 400 Warrants and forward the duly completed and original signed WEWAF, together with a single remittance for S\$0.60, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than 5.00 p.m. on 3 SEPTEMBER 2014 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> |
|--|---|

The balance of the provisional allotment of 400 Warrants which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Warrants would be tradable in the ready market, with each board lot comprising provisional allotments size of 1000 Warrants, 200 Warrants and/or any other board lot size which the SGX-ST may require during the provisional allotment trading period. 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.

Alternatives**Procedures to be taken**

(c) Accept a portion of his provisional allotment of Warrants, for example his entitlement to 400 provisionally allotted Warrants, and reject the balance.

- (1) Accept his provisional allotment of 400 Warrants out of the provisional allotment of 800 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the WEWAF in accordance with the instructions contained herein for the acceptance of his provisional allotment of 400 Warrants and forward the duly completed and original signed WEWAF, together with a single remittance for S\$0.60, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 3 SEPTEMBER 2014** (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 400 Warrants which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 p.m. on 3 SEPTEMBER 2014**.

5. TIMING AND OTHER IMPORTANT INFORMATION**5.1 Timing**

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE WARRANTS UNDER THE WARRANTS ISSUE IS:

- (A) **9.30 P.M. ON 3 SEPTEMBER 2014 (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 WARRANTS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; OR**
- (B) **5.00 P.M. ON 3 SEPTEMBER 2014 (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 WARRANTS IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Warrants in the prescribed manner as set out in the WEWAF, the WAF or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Warrants shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **at the Entitled Depositors' or Purchasers' 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 ADVISERS IMMEDIATELY.

5.2 Appropriation

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

- (a) by accepting his provisional allotment of Warrants and/or applying for excess Warrants, he acknowledges that, in the case where:
 - (i) the amount of remittance payable to the Company in respect of his acceptance of the Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Warrants as per the instructions received by CDP whether under the WEWAF, the WAF and/or in any other application form for Warrants in relation to the Warrants Issue differs from the amount actually received by CDP; or
 - (ii) the amounts as stated in Parts (A) and (B) of Section (II) in the WEWAF, Section (II) in the WAF and/or in any other application form for Warrants in relation to the Warrants Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Warrants provisionally allotted to him and (if applicable) in respect of his application for the excess Warrants,

the Company and/or 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 WEWAF, the WAF and/or any other application form for Warrants in relation to the Warrants Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Warrants provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Warrants. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Entitled Depositor has attached a remittance to the WEWAF, the WAF and/or any other application form for Warrants in relation to the Warrants Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Warrants and (if applicable) his application for excess Warrants, to apply the amount of the remittance which is attached to the WEWAF, the WAF and/or any other application form for Warrants in relation to the Warrants Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Warrants provisionally allotted to him by way of the WEWAF and/or the WAF and/or has applied for excess Warrants by way of the WEWAF and also by way of an Electronic Application, 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 WEWAF, the WAF and/or any other acceptance and/or application for excess Warrants (including an Electronic Application) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Warrants

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

If no excess Warrants are allotted or if the number of excess Warrants allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded by CDP, on behalf of the Company, to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date, **AT THEIR OWN RISK** by any one or a combination of the following: (i) by crediting their bank accounts with the relevant Participating Bank (if they had applied for excess Warrants by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder, or (ii) 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 Warrants through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Warrants is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Warrants is effected by **9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed WEWAF or WAF accompanied by a single remittance for the full amount payable for the relevant number of Warrants accepted and (if applicable) excess Warrants applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — MUN SIONG WARRANTS 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 **MUN SIONG ENGINEERING 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 **MUN SIONG ENGINEERING LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Warrants is effected by **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

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

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the Entitled Depositors' or the Purchasers' risk to their mailing address as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORM 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.

5.5 Certificates

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

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 65357511 using your telephone pin ("**T-Pin**"). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Warrants provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the WEWAF and/or WAF is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the WEWAF and/or WAF, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the WEWAF and/or WAF 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 WARRANTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS WARRANTS IS IRREVOCABLE.

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

CDP Phone User Guide

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

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

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

The procedures for Electronic Applications through ATMs of the Participating Bank are set out on the ATM screens of the Participating Bank (the “**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renounee or the Purchaser who accepts the provisional allotments of Warrants or (as the case may be) who applies for the Warrants through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Bank before he can make an Electronic Application through an ATM of the Participating Bank. The actions that the Applicant must take at ATMs of the Participating Bank are set out on the ATM screens of the Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any WEWAF or WAF.

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

An Applicant may accept his provisional allotment of Warrants and if applicable, may apply for excess Warrants by way of separate Electronic Applications.

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

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

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

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

- (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the acceptance/application monies, should his Electronic Application for excess Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date.
8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE WARRANTS AS A NOMINEE OF ANY OTHER PERSON.**
9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Bank, the Company and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Bank, the Company and/or the Manager, and if, in any such event, CDP, the Participating Bank, the Company and/or the Manager do not record or receive the Applicant's Electronic Application by 9.30 p.m. on the Closing Date (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 such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Bank, the Company and the Manager for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
10. **Electronic Applications may only be made at the ATMs of the Participating Bank from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
11. **Electronic Applications shall close at 9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank will be rejected.
14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within fourteen (14) days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Warrants Issue at **9.30 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the Authority);

- (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, the Manager nor the Participating Bank shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Warrants and (if applicable) acceptance of his application for excess Warrants;
 - (e) in respect of the Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto 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 transferrable.
16. The Applicant should ensure that his personal particulars, as recorded by both CDP and the Participating Bank, are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts or subscribes for the provisionally allotted Warrants or (if applicable) applies for excess Warrants, as the case may be, by way of WEWAF or WAF or by way of Electronic Application through any ATM of the Participating Bank, the provisionally allotment of Warrants and/or excess Warrants will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date by any one or a combination of the following:
- (a) by means of a crossed cheque sent **BY ORDINARY POST** at his own risk to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and/or
 - (b) crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank.

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

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

20. The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Warrants accepted by the Applicant and (if applicable) the excess Warrants which the Applicant has applied for.
21. With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the WEWAF, the WAF, the PAL and/or any other application form for the Warrants in relation to the Warrants Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the WEWAF, WAF, PAL and/or any other application form for the Warrants in relation to the Warrants Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and CDP 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.
22. The Company and CDP shall be entitled to process each application submitted for the acceptance of Warrants, and where applicable, application of excess Warrants in relation to the Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid, evidence of payment (or overpayment) in other applications shall not constitute or be construed as, an affirmation of such invalid application and (if applicable) application for excess Warrants.

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

1. INTRODUCTION

- 1.1 Acceptances of the provisionally allotments of and any excess application for the Warrants must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.
- 1.2 Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and are deemed to constitute a part of this Offer Information Statement:

Renounceable PAL incorporating:

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

- 1.3 The provisional allotment of the Warrants and application for excess Warrants are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Warrants provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded) and contains full instructions with regard to acceptance and payment and the procedures to be followed should such Entitled Scripholders wish to renounce, transfer or split all or any part of their provisional allotment pursuant to the Warrants Issue. Entitled Scripholders may accept their provisional allotments of Warrants, in full or in part, and are eligible to apply for Warrants in excess of their entitlements under the Warrants Issue.
- 1.4 Where any acceptance and/or application does not conform strictly to the instructions set out under this Offer Information Statement, the PAL and/or any other application form for the Warrants and/or excess Warrants in relation to the Warrants Issue, or is illegible, incomplete, incorrectly completed, unsigned or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such application, payment or other processes of remittances at any time after receipt in such manner as it may deem fit.
- 1.5 The Company and the Warrant Agent shall be entitled to process each application submitted for the acceptance of Warrants, and where applicable, application of excess Warrants in relation to the Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance and (if applicable) application for excess Warrants.
- 1.6 Full amount payable for the relevant number of Warrants accepted or applied for will be rounded up to the nearest cent, if applicable.
- 1.7 **Entitled Scripholders who intend to trade any part of their provisional allotment of Warrants on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

- 1.8 Unless expressly provided to the contrary in this Offer Information Statement and/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 and/or the PAL has no right 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 thereto 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 allotment of Warrants or to accept any part of it and decline the balance should complete and sign Form A of the PAL for the number of Warrants which they wish to accept and forward the PAL at their own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, in the self-addressed envelope provided so as to reach the Share Registrar not later than **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Warrants accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Warrants accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix D 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 Warrants which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

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

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

- 3.1 Entitled Scripholders who wish to accept part of their provisional allotments of Warrants and renounce the balance, or who wish to renounce all or part of their provisional allotments of Warrants in favour of more than one person, should first, using Form B of the PAL (Request for Splitting), request to have their provisional allotments of Warrants under the PAL split into separate PALs (the "**Split Letters**") according to their requirements. The duly completed and signed Form B in accordance with these instructions together with the PAL in its entirety should then be returned to reach **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 28 AUGUST 2014** (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 (together with the whole of the PAL) is received after **5.00 p.m. on 28 AUGUST 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

- 3.2** The Split Letters representing the number of Warrants which Entitled Scripholders intend to renounce may be renounced by the Entitled Scripholder by completing and signing Form C (Form for Renunciation) before delivery to the renounee(s). Entitled Scripholders should complete and sign Form A of the Split Letter(s) representing that part of their provisional allotments of Warrants they intend to accept, if any, and forward the said Split Letter(s) together with the remittance for the payment in the manner hereinafter prescribed to **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3** Entitled Scripholders who wish to renounce their entire provisional allotments of Warrants in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign Form C for the number of Warrants which they wish to renounce and deliver the PAL in its entirety to the renounee as soon as possible.
- 3.4** The renounee should complete and sign Form D (Form of Nomination) and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 3 SEPTEMBER 2014** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.5** Each Entitled Scripholder may consolidate the Warrants provisionally allotted in the PAL together with those comprised in any PAL and/or Split Letter renounced in his favour by completing and signing Form A 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 Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

4. PAYMENT

- 4.1** Payment in relation to the PALs for the full amount due on acceptance and/or application 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 "**MUN SIONG – RIGHTS ISSUE**", such Cashier's Order or Banker's Draft to be crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed PAL and remittance should be addressed and forwarded, at the sender's own risk, to **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

4.2 If acceptance and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 3 SEPTEMBER 2014** (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 Warrants shall be deemed to have been declined and shall forthwith lapse and cease to be capable of acceptance by the Entitled Scripholder. Such provisional allotments of Warrants 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 any share of revenue or benefit arising therefrom, within fourteen (14) days after the Closing Date.

5. APPLICATION FOR EXCESS WARRANTS

5.1 Entitled Scripholders who wish to apply for excess Warrants in addition to those which have been provisionally allotted to them may do so by completing and signing Form E (Excess Warrants Application Form) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Warrants applied for in the form and manner set out in paragraph 4 above, at their own risk, to **MUN SIONG ENGINEERING LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 3 SEPTEMBER 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

5.2 Applications for excess Warrants by the Entitled Scripholders are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for excess Warrants will, at the Directors' absolute discretion, be satisfied from such Warrants as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Warrants, together with the aggregated fractional entitlements to the Warrants, the unsold "nil-paid" provisional allotment of Warrants (if any) of Foreign Shareholders and any Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. In the event that applications are received by the Company for more excess Warrants than are available, the excess Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Warrants Issue or have representation (whether directly or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Warrants. The Company reserves the right to allot the excess Warrants applied for under Form E in any manner they deem fit and to reject or to refuse, in whole or in part, any application for excess Warrants without assigning any reason whatsoever.

5.3 If no excess Warrants are allotted to Entitled Scripholders or if the number of excess Warrants allotted to them is less than that applied for, the amount paid on application for excess Warrants or the surplus application monies for excess Warrants received by the Company, 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** at their own risk.

6. GENERAL

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

- 6.2 Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 6.3 Upon listing and quotation on the Official List of the SGX-ST, the Warrants, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Warrants 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 the above are available from CDP.
- 6.4 To facilitate scripless trading, Entitled Scripholders and their renounees who wishes to accept the Warrants provisionally allotted to them and (if applicable) apply for excess Warrants, and who wish to trade the Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Warrants and, if applicable, the excess Warrants that may be allotted and issued to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Warrants provisionally allotted to them and (if applicable) apply for the excess Warrants and have their Warrants credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration number (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 number (for corporations) or who provide incorrect or invalid Securities Account numbers and/or (for individuals) or registration number (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 certificate(s) in their own names for the Warrants allotted to them and if applicable, the excess Warrants allotted to them. Such physical warrant certificates, if issued, will be forwarded to them by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.**
- 6.5 If an Entitled Scripholder's address stated in the PAL is different from his address maintained with CDP, he must inform CDP of his updated address promptly, failing which the notification letter, on successful allotments will be sent to his addresses last registered with CDP.
- 6.6 A holder of physical share or warrant certificate(s), or an Entitled Scripholder who has not deposited his share or warrant certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his respective certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Shares or Warrants, as the case may be, before he can effect the desired trade.
- 6.7 Shareholders should note that most counters on the SGX-ST currently trade in lot sizes of 1,000 shares and/or warrants. Following the Warrants Issue, Warrantholders who hold odd lots of the Warrants and/or the New Shares (i.e. lots other than board lots of 1,000 Warrants or Shares) and who wish to trade in odd lots of Warrants and/or Shares should note that they can trade on the Unit Share Market of the SGX-ST, which allows the trading of odd lots.
- 6.8 THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR EXCESS APPLICATIONS AND PAYMENT FOR THE WARRANTS UNDER THE WARRANTS ISSUE IS 5.00 P.M. ON 3 SEPTEMBER 2014 (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 Directors collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

For and on behalf of **MUN SIONG ENGINEERING LIMITED**

BOARD OF DIRECTORS

Cheng Woei Fen
Director

Quek Chiau Liong
Director

Quek Kian Hui
Director

David Tan Chao Hsiung
Director

Peter Sim Swee Yam
Director

Dr Lau Teik Soon
Director