

TAT HONG HOLDINGS LTD

(Company Registration Number 199105392H)
(Incorporated in the Republic of Singapore)

LETTER FROM THE BOARD OF DIRECTORS

Directors:

Dr. Leong Horn Kee
Mr. Ng San Tiong Roland
Mr. Low Seow Juan
Mr. Mak Lye Mun
Mr. Ong Tiew Siam
Mr. Ng Sang Kuey Michael
Mr. Ng Chen Wei

Registered Office:

82 Ubi Avenue 4
#05-01 Edward Boustead Centre
Singapore 408832

4 May 2018

To: The Shareholders of Tat Hong Holdings Ltd

Dear Sir/Madam

REVISION OF VOLUNTARY CONDITIONAL CASH OFFER BY OCBC BANK, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

1. BACKGROUND

- 1.1 Offer.** On 29 March 2018, Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”) issued, for and on behalf of THSC Investments Pte. Ltd. (the “**Offeror**”), the offer document (the “**Offer Document**”) setting out, *inter alia*, the terms and conditions of the voluntary conditional cash offer (the “**Offer**”) to acquire all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of Tat Hong Holdings Ltd (the “**Company**”), other than those Shares already held by the Company as treasury shares and those Shares already held, directly or indirectly, by the Offeror as at the date of the Offer (the “**Offer Shares**”).
- 1.2 Offeree Circular.** On 6 April 2018, the Company issued the circular to shareholders of the Company (“**Shareholders**”) in relation to the Offer (the “**Circular**”) containing, *inter alia*, the recommendation of the Directors who are considered to be independent for the purpose of making recommendations to Shareholders in respect of the Offer, namely (i) Dr. Leong Horn Kee, (ii) Mr. Mak Lye Mun, and (iii) Mr. Ong Tiew Siam (the “**Independent Directors**”), and the advice of Australia and New Zealand Banking Group Limited, Singapore Branch (“**ANZ**” or “**IFA**”), being the independent financial adviser to the Independent Directors in connection with the Offer.
- 1.3 Revision of the Offer.** On 26 April 2018, OCBC Bank, for and on behalf of the Offeror, issued an announcement (the “**Offer Revision Announcement**”) that the Offer is being revised in the manner described in the Offer Revision Announcement.

According to the Offer Revision Announcement, the revisions are, *inter alia*, as follows:

- (i) the Offer Price has been increased and the Offeror does not intend to revise the Final Offer Price (as defined below); and

- (ii) the closing date of the Offer has been extended to 5.30 p.m. (Singapore time) on 14 May 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

On 30 April 2018, OCBC Bank, for and on behalf of the Offeror, issued the written notification (the “**Revision Notification**”) in respect of the Offer Price Revision (as defined below).

Copies of the Offer Revision Announcement and the Revision Notification are available on the website of SGX-ST at www.sgx.com.

Shareholders are advised to read the revised terms and conditions of the Offer set out in the Offer Revision Announcement and the Revision Notification carefully.

- 1.4 Definitions.** Unless otherwise defined, all terms and expressions used in this supplemental letter (“**Supplemental Letter**”) shall have the same meanings as those defined in the Circular. References to the “**Latest Practicable Date**” in this Supplemental Letter refer to 25 April 2018.

- 1.5 Purpose of this Supplemental Letter.** The purpose of this Supplemental Letter, which supplements the Circular, is to provide Shareholders with relevant information pertaining to the revised Offer and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the revised Offer.

This Supplemental Letter is important as it contains the recommendation of the Independent Directors and the advice of the IFA. This Supplemental Letter requires the immediate attention of Shareholders who are advised to read it carefully.

If you are in any doubt in relation to this Supplemental Letter or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. REVISION OF OFFER PRICE

- 2.1 Final Offer Price.** As stated in paragraph 2.1 of the Offer Revision Announcement, the Offeror is revising the Offer Price of S\$0.50 in cash for each Offer Share to the Final Offer Price as follows (the “**Offer Price Revision**”):

For each Offer Share: S\$0.55 in cash (the “Final Offer Price”)

The Offeror does not intend to revise the Final Offer Price.

Shareholders who have earlier validly accepted the Offer are entitled to receive the Final Offer Price, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already validly accepted the Offer.

- 2.2 Extension of Closing Date.** As stated in paragraph 5 of the Offer Revision Announcement, pursuant to Rule 20.1 of the Singapore Code on Take-overs and Mergers, the Offer must be kept open for at least 14 days from the date of posting of the Revision Notification to Shareholders and accordingly, the closing date for the Offer has been extended from 5.30 p.m. (Singapore time) on 26 April 2018 to **5.30 p.m. (Singapore time) on 14 May 2018** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).

2.3 Other Terms. As stated in paragraph 7 of the Offer Revision Announcement, save as disclosed in the Offer Revision Announcement, all the other terms and conditions of the Offer as set out in the Offer Document remain unchanged.

3. ADVICE OF THE IFA TO THE INDEPENDENT DIRECTORS IN RELATION TO THE REVISED OFFER

3.1 IFA. ANZ has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Offer. Shareholders should consider carefully the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the revised Offer before deciding whether to accept or reject the Offer. The IFA's advice to the Independent Directors in respect of the revised Offer is set out in its supplemental letter dated 4 May 2018, which is reproduced in **Appendix 1** to this Supplemental Letter (the "**Supplemental IFA Letter**").

3.2 Factors Taken Into Consideration by the IFA. In arriving at its recommendation in respect of the revised Offer, the IFA has taken into consideration certain factors (an extract of which is set out below). Shareholders should read the following extract in conjunction with, and in the context of, the full text of the Supplemental IFA Letter. Unless otherwise defined, all terms and expressions used in the extract below and the extract in **Paragraph 3.3** shall have the same meanings as those defined in the Supplemental IFA Letter.

"In arriving at our opinion and advice in respect of the revised Offer, we have taken into account and reviewed the following key considerations, which we consider to be pertinent in our assessment of the revised Offer:

- (i) Historical financial performance and condition of the Group;*
- (ii) The Company's reported commentary on significant trends and competitive conditions of the industry;*
- (iii) Historical industry trends and selected financial ratios;*
- (iv) Industry relative share price performance;*
- (v) Liquidity analysis of the Shares;*
- (vi) Historical market price performance and trading activity of the Shares;*
- (vii) Broker target prices of the Shares;*
- (viii) Valuation multiples of the Comparable Companies;*
- (ix) Trailing valuation multiples of the Company;*
- (x) Premium/discount implied by Precedent Take-overs; and*
- (xi) Other relevant considerations."*

3.3 Advice of the IFA to the Independent Directors. After having regard to the considerations as set out in the Supplemental IFA Letter, and based upon, and having considered, *inter alia*, the factors described above and the information that has been made available to the IFA, along with the industry, market, economic and other relevant considerations as at the Latest Practicable Date, the IFA has made certain recommendations to the Independent

Directors in respect of the revised Offer, an extract of which is set out below. Shareholders should read the extract in conjunction with, and in the context of, the full text of the Supplemental IFA Letter.

“Based upon, and having considered, inter alia, the factors described above and the information that has been made available to us, along with the industry, market, economic and other relevant considerations as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the revised Offer are fair and reasonable and not prejudicial to the interests of the Shareholders from a financial point of view. Accordingly, we would advise the Independent Directors to recommend that, in the absence of a superior offer, Shareholders should ACCEPT the Offer, unless Shareholders can obtain a price higher than the Final Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.”

4. RECOMMENDATION OF THE INDEPENDENT DIRECTORS

- 4.1 Independent Directors.** For the reasons set out in Section 7.1 of the Circular, Mr. Ng San Tiong Roland, Mr. Ng Sang Kuey Michael, Mr. Ng Chen Wei and Mr. Low Seow Juan have been exempted by the Securities Industry Council of Singapore from the requirement to make a recommendation to Shareholders on the Offer. However, they remain responsible for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

Accordingly, the Independent Directors are Dr. Leong Horn Kee, Mr. Mak Lye Mun and Mr. Ong Tiew Siam.

- 4.2 Recommendation.** As set out in Section 9.1 of the Circular, the Independent Directors had previously recommended, based on the initial terms and conditions of the Offer, that, in the absence of a superior offer, Shareholders should accept the Offer, unless Shareholders can obtain a price higher than the Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.

Subsequent to the Offer Revision Announcement, the Independent Directors, having considered carefully the revised Offer and the advice given by the IFA in the Supplemental IFA Letter, concur with the recommendation of the IFA in respect of the revised Offer, and accordingly, continue to recommend that, in the absence of a superior offer, Shareholders should accept the Offer, unless Shareholders can obtain a price higher than the Final Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.

SHAREHOLDERS ARE ADVISED TO READ THE SUPPLEMENTAL IFA LETTER SET OUT IN APPENDIX 1 TO THIS SUPPLEMENTAL LETTER CAREFULLY.

- 4.3 No Regard to Specific Objectives.** In making their recommendation, the Independent Directors have not had regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of any individual Shareholder. Accordingly, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to accept the Offer must do so no later than 5.30 p.m. (Singapore time) on the Closing Date, abiding by the procedures for acceptance of the Offer as set out

in paragraph 12 of the Offer Revision Announcement and Appendix VII to the Offer Document, and in the accompanying FAA and/or FAT.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by The Central Depository (Pte) Limited (in respect of the FAA) or the Registrar (as defined in the Offer Document) (in respect of the FAT), as the case may be, not later than 5.30 p.m. (Singapore time) on the Closing Date.

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document, the FAA and/or the FAT which have been sent to them.

6. PROFIT GUIDANCE STATEMENT AND 9MFY2018 RESULTS

6.1 Profit Guidance Statement. As stated in Appendix 5 to the Circular, the Company announced on 7 February 2018 a profit guidance relating to the financial performance of the Company and its subsidiaries (collectively, the “**Group**”) for the third quarter ended 31 December 2017, in which the Profit Guidance Statement was made.

6.2 9MFY2018 Results. The Company released on 13 February 2018 the unaudited consolidated financial statements of the Group for the nine-month period ended 31 December 2017 on the SGXNET (the “**9MFY2018 Results**”). A copy of the 9MFY2018 Results is set out in Appendix 8 to the Circular.

6.3 Validity. The Profit Guidance Statement and the 9MFY2018 Results remain valid and KPMG LLP, being the auditor of the Company (the “**Auditor**”), and the IFA who each reported on the Profit Guidance Statement and the 9MFY2018 Results have indicated that they have no objection to their reports (which are set out in Appendices 6, 7, 9 and 10 to the Circular) continuing to apply.

7. MATERIAL CHANGES IN INFORMATION

Save as disclosed in this Supplemental Letter and save for the information relating to the Group which is publicly available (including without limitation, the annual reports of, and the circulars issued by, the Company and the announcements released by the Company on the SGXNET), there have been no material changes in any information previously announced by or on behalf of the Company during the period commencing from 29 March 2018, being the latest practicable date prior to the printing of the Circular, and ending on 25 April 2018, being the Latest Practicable Date prior to the printing of this Supplemental Letter.

8. CONSENTS

8.1 Consent of the Auditor. The Auditor has given and has not withdrawn its written consent to the issue of this Supplemental Letter with the inclusion herein of its name, and all references thereto in the form and context in which they appear in this Supplemental Letter.

8.2 Consent of the IFA. The IFA has given and has not withdrawn its written consent to the issue of this Supplemental Letter with the inclusion herein of its name, the Supplemental IFA Letter set out in **Appendix 1** to this Supplemental Letter, and all references thereto in the form and context in which they appear in this Supplemental Letter.

9. DOCUMENTS AVAILABLE FOR INSPECTION

In addition to the documents referred to in paragraph 14 of Appendix 2 to the Circular, copies of the following documents will be available for inspection at the registered office of

the Company at 82 Ubi Avenue 4, #05-01 Edward Boustead Centre, Singapore 408832, during normal business hours for the period during which the Offer remains open for acceptance:

- (i) the Supplemental IFA Letter, as set out in **Appendix 1** to this Supplemental Letter; and
- (ii) the letters of consent referred to in **Paragraphs 8.1 and 8.2** of this Supplemental Letter above.

10. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Supplemental Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Supplemental Letter are fair and accurate and that no material facts have been omitted from this Supplemental Letter (the omission of which would render any statement in this Supplemental Letter misleading in any material respect), and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Document, the Offer Revision Announcement, the Revision Notification and the Supplemental IFA Letter), the 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 Supplemental Letter.

In respect of the Supplemental IFA Letter, the responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.

Yours faithfully
For and on behalf of
The Board of Directors of
TAT HONG HOLDINGS LTD

Dr. Leong Horn Kee
Chairman

APPENDIX 1

SUPPLEMENTAL LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

INDEPENDENT FINANCIAL ADVISER'S SUPPLEMENTAL LETTER ("Supplemental IFA Letter")

Australia and New Zealand Banking Group Limited, Singapore Branch
(Incorporated in Australia)
Australian Company Number: 005357522

4 May 2018

Independent Directors
Tat Hong Holdings Ltd
82 Ubi Avenue 4
#05-01 Edward Boustead Centre
Singapore 408832

Dear Sirs,

REVISION OF VOLUNTARY CONDITIONAL CASH OFFER BY OCBC BANK, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

For the purpose of this Supplemental IFA Letter, capitalised terms not otherwise defined in this Supplemental IFA Letter shall have the meaning given to them in the circular (the "Circular") dated 6 April 2018 issued by the Company to its shareholders (the "Shareholders") in relation to the Offer (as defined herein) and in the supplemental letter (the "Supplemental Letter") dated 4 May 2018 issued by the Company to the Shareholders in relation to the revised Offer.

1. BACKGROUND

1.1. Offer

On 29 March 2018, Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**") issued, for and on behalf of THSC Investments Pte. Ltd. (the "**Offeror**"), the offer document (the "**Offer Document**") setting out, *inter alia*, the terms and conditions of the voluntary conditional cash offer (the "**Offer**") to acquire all the issued and paid-up ordinary shares (the "**Shares**") in the capital of Tat Hong Holdings Ltd (the "**Company**"), other than those Shares already held by the Company as treasury shares and those Shares already held, directly or indirectly, by the Offeror as at the date of the Offer (the "**Offer Shares**").

1.2. Offeree Circular

On 6 April 2018, the Company issued the Circular to the Shareholders in relation to the Offer containing, *inter alia*, the recommendation of the Directors who are considered to be independent for the purpose of making recommendations to Shareholders in respect of the Offer, namely (i) Dr. Leong Horn Kee, (ii) Mr. Mak Lye Mun, and (iii) Mr. Ong Tiew Siam (the "**Independent Directors**"), and the advice of Australia and New Zealand Banking Group Limited, Singapore Branch ("**ANZ**" or "**IFA**"), being the independent financial adviser to the Independent Directors in connection with the Offer.

1.3. Revision of the Offer

On 26 April 2018, OCBC Bank, for and on behalf of the Offeror, issued an announcement (the “**Offer Revision Announcement**”) that the Offer is being revised in the manner described in the Offer Revision Announcement.

According to the Offer Revision Announcement, the revisions are, *inter alia*, as follows:

- (i) the Offer Price has been increased and the Offeror does not intend to revise the Final Offer Price (as defined below); and
- (ii) the closing date of the Offer has been extended to 5.30 p.m. (Singapore time) on 14 May 2018 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

On 30 April 2018, OCBC Bank, for and on behalf of the Offeror, issued the written notification (the “**Revision Notification**”) in respect of the Offer Price Revision (as defined below).

Copies of the Offer Revision Announcement and the Revision Notification are available on the website of SGX-ST at www.sgx.com.

Shareholders are advised to read the revised terms and conditions of the Offer set out in the Offer Revision Announcement and the Revision Notification carefully.

1.4. The Supplemental Letter

The purpose of the Supplemental Letter (containing this Supplemental IFA Letter), which supplements the Circular, is to provide Shareholders with relevant information pertaining to the revised Offer and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the revised Offer.

1.5. ANZ’s role as IFA

In connection with the Offer, the Company has appointed ANZ as the IFA to advise the Independent Directors on the financial terms of the Offer. This Supplemental IFA Letter, which sets out, *inter alia*, our evaluation and advice, has been prepared for the use of the Independent Directors in connection with their consideration of the revised Offer and their recommendations to the Shareholders arising thereof.

2. TERMS OF REFERENCE

ANZ has been appointed to advise the Independent Directors on the financial terms of the Offer. We do not, by this Supplemental IFA Letter, comment on or warrant the merits of the Offer other than to form an opinion as to whether the financial terms of the Offer are fair and reasonable and not prejudicial to the interests of the Shareholders.

ANZ is qualified to act as independent financial adviser under the Singapore Code On Take-Overs And Mergers (the “**Code**”) for the purpose of providing our opinion to the Independent Directors. At ANZ, conflict of interest management is governed by global policies and

procedures, which include specific procedures on managing transactional conflicts. We will receive a fee from the Company for the delivery of this Supplemental IFA Letter. In addition, the Company has agreed to indemnify us for certain liabilities arising out of our engagement.

We have confined our evaluation to the financial terms of the Offer. Our terms of reference do not require us to evaluate or comment on the strategic or commercial merits and / or risks of the Offer or on the future prospects of the Company and any of its related or associated companies (the “**Group**”). Such evaluation or comment, if any, remains the sole responsibility of the Independent Directors and the management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us and provided that such has been disclosed to us) in arriving at our view as set out in this Supplemental IFA Letter. We were not requested or authorized to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares or the assets of the Company. We are therefore not addressing the relative merits of the Offer as compared to any alternative transaction (if any) previously considered by the Company (or the Shareholders) or that otherwise may be available to the Company (or the Shareholders), or as compared to any alternative offer that might otherwise be available in the future.

The management have confirmed to us that, to the best of their knowledge and belief, all material information relating to the Company, the Group and the Offer has been disclosed to us, that such information provided and representations made to us by the management are true, complete and accurate in all material respects as at 25 April 2018, being the latest practicable date prior to the submission of the Supplemental IFA Letter to the Independent Directors (the “**Latest Practicable Date**” or “**LPD**”) and that there are no omissions of which would cause any information disclosed to us to be inaccurate, incomplete or misleading as at the Latest Practicable Date.

We have relied upon certain publicly available information relating to the Company and the accuracy and completeness of all information given to us by the management and have not independently verified such information, whether written or verbal, and accordingly cannot and do not represent or warrant, expressly or implied, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have made reasonable enquiries and exercised reasonable judgement in assessing such information and have found no reason to doubt the reliability of such information.

We are not required to express, and we do not express, any view on the growth prospects, earnings potential or valuation of the Company. We are therefore not expressing any view herein as to the prices at which the Shares may trade assuming the absence of the Offer or if the Offer is not effected.

We have not made any independent evaluation or appraisal of the assets and liabilities of the Company or the Group. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information, provided or otherwise made available to us or relied on by us.

The preparation of this Supplemental IFA Letter, our financial evaluation of the Offer and our opinion in this Supplemental IFA Letter are based upon market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date, as well as publicly available information and information provided to us by the Company and its advisers as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time. Shareholders should further take note of any announcements relevant to their consideration of the Offer which may be released by the Company and / or the Offeror after the Latest Practicable Date. In arriving at our view, we have taken into account certain other factors and have been required to make certain assumptions. We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

In rendering our advice and giving our opinion, we did not have regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of any individual Shareholder. **As each Shareholder would have different investment objectives and profiles, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

The Company has been separately advised by its own advisers in the preparation of other documents relating to the Offer (other than this Supplemental IFA Letter). We have had no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of any documents relating to the Offer (other than the IFA Letter, this Supplemental IFA Letter, the IFA Profit Guidance Report and the IFA 9MFY2018 Results Report). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of any documents relating to the Offer (other than the IFA Letter, this Supplemental IFA Letter, the IFA Profit Guidance Report and the IFA 9MFY2018 Results Report).

This Supplemental IFA Letter is addressed to the Independent Directors solely for their benefit in connection with and for the purposes of their consideration of the revised Offer, and the recommendations made by them to Shareholders with regard to the revised Offer shall remain the responsibility of the Independent Directors.

Our advice in relation to the revised Offer should be considered in the context of the entirety of this Supplemental IFA Letter and other documents relating to the transaction made available by the Company and the Offeror.

3. REVISION OF OFFER PRICE

3.1. Final Offer Price.

As stated in paragraph 2.1 of the Offer Revision Announcement, the Offeror is revising the Offer Price of S\$0.50 in cash for each Offer Share to the Final Offer Price as follows (the “Offer Price Revision”):

For each Offer Share: S\$0.55 in cash (the “Final Offer Price”)

The Offeror does not intend to revise the Final Offer Price.

Shareholders who have earlier validly accepted the Offer are entitled to receive the Final Offer Price, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already validly accepted the Offer.

3.2. Extension of Closing Date

As stated in paragraph 5 of the Offer Revision Announcement, pursuant to Rule 20.1 of the Singapore Code on Take-overs and Mergers, the Offer must be kept open for at least 14 days from the date of posting of the Revision Notification to Shareholders and accordingly, the closing date for the Offer has been extended from 5.30 p.m. (Singapore time) on 26 April 2018 to **5.30 p.m. (Singapore time) on 14 May 2018** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “Closing Date”).

3.3. Other Terms

As stated in paragraph 7 of the Offer Revision Announcement, save as disclosed in the Offer Revision Announcement, all the other terms and conditions of the Offer as set out in the Offer Document remain unchanged.

4. IRREVOCABLE UNDERTAKINGS AND THE ROLL-UP ARRANGEMENT

4.1 Details of the Ng Family Irrevocable Undertakings, the AIF Irrevocable Undertaking and Roll-Up Arrangement have been extracted from the Offer Document and are set out in italics below. Unless otherwise defined, all terms and expressions used in the extracts from the Offer Document shall have the same meanings as those defined in the Offer Document.

“5. IRREVOCABLE UNDERTAKINGS

5.1 Ng Family Irrevocable Undertakings and the Roll-Up Arrangement

As stated in the Pre-Conditional Offer Announcement, as at the Pre-Conditional Offer Announcement Date, members of the Ng family who form the majority Shareholders (collectively, the “Ng Family Undertaking Shareholders”) have entered into irrevocable undertakings (collectively, the “Ng Family Irrevocable Undertakings”), pursuant to which each Ng Family Undertaking Shareholder has undertaken to the Offeror to inter alia:

- (a) accept and/or procure the acceptance of the Offer in respect of his/her/its respective proportion of the Shares (the **"Roll-Up Shares"**), within 10 Market Days after the date on which this Offer Document is despatched to the Shareholders or such other date as shall be agreed with the Offeror;
- (b) instead of receiving the cash consideration which would otherwise be payable by the Offeror pursuant to the Offer, direct the Offeror to issue and allot such number of shares in the Offeror (**"Offeror Shares"**) as is commensurate to the value of the Roll-Up Shares to TH60 on the settlement date for such acceptances tendered in acceptance of the Offer; and
- (c) in consideration for the issue and allotment of the Offeror Shares in subparagraph (b) above, TH60 shall issue and allot the same number of shares in TH60 (**"TH60 Shares"**) to selected Ng Family Undertaking Shareholders (the **"Roll-Up Group"**), which correspond to the Roll-Up Shares, taking into consideration the assignment agreements (the **"Assignment"**) entered into by certain Ng Family Undertaking Shareholders (the **"Assigning Ng Family Undertaking Shareholders"**) to assign each of their rights to receive TH60 Shares to members of the Roll-Up Group as set out in **Appendix III** to this Offer Document (the **"Roll-Up Arrangement"**), and the consideration for such assignment shall be the payment in cash by the assignee to the assignor of an amount equivalent to the cash consideration which the assignor would otherwise have received from the Offeror pursuant to the Offer.

The Ng Family Irrevocable Undertakings will terminate, lapse and cease to have any force and effect on the earliest of the following:

- (i) the Offer is withdrawn without becoming or being declared unconditional in all respects; or
- (ii) the Offer lapses or closes.

The list of each Ng Family Undertaking Shareholder and his/her/its Roll-Up Shares is set out in **Appendix V** to this Offer Document. The shareholdings of the Roll-Up Group in TH60 following the Roll-Up Arrangement and the Assignment, is set out in **Appendix IV** to this Offer Document.

5.2 AIF Irrevocable Undertaking

Information on AIF Capital Limited¹

AIF Capital Limited began in 1994 as a collaboration of five (5) international financial institutions that included the Asian Development Bank and International Finance Corporation. Since becoming independent in 2001, it has been focused on providing growth capital to mid-market companies across Asia. AIF Capital Limited is headquartered in Hong Kong with offices in New Delhi, Beijing and Singapore.

¹ Based on information extracted from the website of AIF Capital Limited as at the Latest Practicable Date.

AIF Capital Limited has deployed over US\$1.8 billion of capital in investments across 10 Asian countries since 1994 and its sector experience includes healthcare and pharmaceuticals, supply chain management, equipment leasing and logistics, consumer, bereavement care services, financial services, and industrial manufacturing.

Since inception, AIF Capital Limited has received investor commitments in excess of US\$2.0 billion. Investors in AIF Capital Limited-managed funds include major corporate and government pension and investment funds, insurance companies, financial institutions, as well as multilateral agencies and family offices from North America, Australia, Asia, the Middle East and Europe.

Background Information on AIF's Investment in the Company

AIF Capital Limited indirectly controls AIF, which invested in the Company in October 2009, as a strategic partner to assist the Company in its expansion in Asia. Based on publicly available information as at the Latest Practicable Date, AIF is the second-largest Shareholder² of the Company, owning 53,300,000 Shares (the "**AIF Shares**"), representing approximately 7.08% of the total number of issued Shares.

AIF has provided an irrevocable undertaking (the "**AIF Irrevocable Undertaking**") to, inter alia, accept and/or procure the acceptance of the Offer in respect of all the AIF Shares, within 10 Market Days after the date of despatch of this Offer Document or such other date as shall be agreed with the Offeror, save that AIF shall be entitled to accept any superior offer made for the AIF Shares at a price higher than the price made by the Offeror pursuant to the Offer, in respect of all or part of the AIF Shares.

The AIF Irrevocable Undertaking will terminate, lapse and cease to have any force and effect when the Offer lapses or closes on or prior to 5.30 p.m. (Singapore time) on the 60th day after the date of posting of this Offer Document, unless (a) the Offer has previously become or been declared unconditional as to acceptances; or (b) the Offer is extended with the permission of SIC.

5.3 Shares which are the Subject of the Irrevocable Undertakings

The Ng Family Undertaking Shareholders and AIF have undertaken to accept the Offer in respect of an aggregate of 503,278,416 Shares, representing approximately 66.82% of the total number of issued Shares.

5.4 Available for Inspection

Copies of the Ng Family Irrevocable Undertakings and AIF Irrevocable Undertaking are available for inspection during normal business hours for the duration of the Offer at 80 Raffles Place, #33-00, UOB Plaza 1, Singapore 048624.

5.5 SIC Confirmation

The SIC has confirmed that the Ng Family Irrevocable Undertakings and the Roll-Up Arrangement do not constitute special deals for the purposes of the Code."

² This shareholding analysis is on the basis that the Shares held by the Ng Family Undertaking Shareholders are aggregated and considered as a single block.

- 4.2 Details of the Assignment and the Assigning Ng Family Undertaking Shareholders are set out in Appendix III to the Offer Document.

5. INFORMATION ON THE OFFEROR, SCPE AND TH60

5.1 Information on the Offeror

Details on the Offeror have been extracted from the Offer Document and the Offer Revision Announcement and are set out in italics below. Unless otherwise defined, all terms and expressions used in the extracts from the Offer Document and the Offer Revision Announcement shall have the same meanings as those defined in the Offer Document and the Offer Revision Announcement.

“6.1 ***The Offeror***

- (a) *The Offeror is a company incorporated in the Republic of Singapore on 11 December 2017. The principal activity of the Offeror is that of an investment holding company. The issued share capital of the Offeror is S\$1.50 comprising three (3) issued ordinary shares. The Offeror has not carried on any business since its incorporation, except to enter into financing arrangements for the purpose of the Offer, certain transactional agreements in connection with the Offer, and the deeds with the Ng Family Undertaking Shareholders and AIF in relation to the Ng Family Irrevocable Undertakings and the AIF Irrevocable Undertaking (as described in paragraph 5 of this Offer Document).*
- (b) *As at the Latest Practicable Date:*
 - (i) *SCPE and TH60 are the only shareholders of the Offeror, with SCPE holding one (1) share in the Offeror and TH60 holding two (2) shares in the Offeror;*
 - (ii) *Mr. Ng San Tiong Roland and Mr. Tay Ruixian, Jeremiah are the directors of the Offeror. Ms. Ng Pei Yan, Novia is an alternate director to Mr. Tay Ruixian, Jeremiah. Mr. Ng San Tiong Roland is also the Managing Director and Group Chief Executive Officer of the Company; and*
 - (iii) *the Offeror does not hold any Shares.*
- (c) *The eventual shareholding proportions in the Offeror are set out in paragraph 8.3 of this Offer Document.*

Appendix I to this Offer Document sets out certain additional information on the Offeror.”

“6. ***Updated eventual shareholding proportions in the Offeror arising from the Offer Price Revision***

- 6.1. *Further to the Offer Price Revision, upon the issue of the Offeror Shares in accordance with the arrangements of the shareholders of the Offeror as set out in*

paragraph 8.1 of the Offer Document, the shareholding of the Offeror shall be TH60 holding approximately 70.8% of the Offeror, and SCPE holding the remaining 29.2% of the Offeror.

6.2. *Further to the Offer Price Revision, if the TH60 Partly-Paid Up Shares are forfeited pursuant to paragraph 8.1(5) of the Offer Document, the shareholding of the Offeror following such forfeiture shall be:*

- (a) TH60 holding approximately 70.2% of the Offeror; and*
- (b) SCPE holding the remaining 29.8% of the Offeror.”*

5.2 Offeror funding arrangements

Further details on the Offeror's funding arrangements are set out in paragraphs 8.1 and 8.2 of the Offer Document.

5.3 Information on SCPE

Details on SCPE have been extracted from the Offer Document and are set out in italics below.

“6.2 SCPE

- (a) SCPE is a company incorporated in the Republic of Singapore on 31 January 2008. It is wholly-owned by Finventures UK Limited, a company incorporated in England, and its ultimate parent company is Standard Chartered PLC.*
- (b) As at the Latest Practicable Date, the directors of SCPE are Mr. Nainesh Jaisingh and Mr. Ivo Laurence Philipps. Mr. Krishna Uday is an alternate director to Mr. Nainesh Jaisingh and Mr. Paul Nigel Grose is an alternate director to Mr. Ivo Laurence Philipps.”*

5.4 Information on TH60

Details on TH60 have been extracted from the Offer Document and are set out in italics below.

“6.3 TH60

- (a) TH60 is a company incorporated in the Republic of Singapore on 17 November 2017. It will be the intermediate investment holding company for the Roll-Up Group. As at the Latest Practicable Date, Mr. Ng San Tiong Roland is the sole director and shareholder of TH60.*
- (b) As described in paragraph 5.1, pursuant to the Roll-Up Arrangement and the Assignment, TH60 shall issue and allot to the Roll-Up Group such number of TH60 Shares which corresponds to the number of Roll-Up Shares. The shareholdings of the Roll-Up Group in TH60 following the Roll-Up Arrangement and the Assignment, is set out in **Appendix IV** to this Offer Document.”*

5.5 Further Information on the Offeror and TH60

Further details on the Offeror and TH60 are set out in **Appendix 3** to the Circular.

6. EXEMPTION RELATING TO DIRECTORS' RECOMMENDATION BY THE SECURITIES INDUSTRY COUNCIL ("SIC")

6.1 SIC

The SIC has ruled that the following Directors, are not considered independent for the purposes of the Offer under Rule 8.3 of the Code as they face irreconcilable conflicts of interest for the following reasons:

- (i) Mr. Ng San Tiong Roland is a member of the Ng Family Undertaking Shareholders;
- (ii) Mr. Ng Sang Kuey Michael is a member of the Ng Family Undertaking Shareholders;
- (iii) Mr. Ng Chen Wei is the son of Mr. Ng San Tiong Roland; and
- (iv) Mr. Low Seow Juan is the spouse of Ms. Wong Sing Ping, who is a director of Fortreau Investments Pte Ltd and Regality Holdings Pte Ltd, both of which are associated companies of Chwee Cheng & Sons Pte Ltd. Chwee Cheng & Sons Pte Ltd is a member of the Ng Family Undertaking Shareholders.

6.2 Scope of Responsibility

In light of Section 6.1 above, Mr. Ng San Tiong Roland, Mr. Ng Sang Kuey Michael, Mr. Ng Chen Wei and Mr. Low Seow Juan have been exempted by the SIC from the requirement to make a recommendation to the Shareholders on the Offer. However, they remain responsible for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

7. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

The full text of the rationale for the Offer and the Offeror's intentions in relation to the Company is set out in Section 4 of the Circular, and Shareholders are advised to read the information carefully.

8. FINANCIAL EVALUATION OF THE TERMS OF THE FINAL OFFER PRICE

In evaluating the terms of the Final Offer Price, from a financial point of view, as at the Latest Practicable Date, we have considered the following factors:

	Factors	Details see sub-section
(i)	Historical financial performance and condition of the Group	8.1
(ii)	The Company's reported commentary on significant trends and competitive conditions of the industry	8.2
(iii)	Historical industry trends and selected financial ratios	8.3
(iv)	Industry relative share price performance	8.4
(v)	Liquidity analysis of the Shares and companies that make up the top 15 constituents of the Straits Times Index (" STI ") traded on the Singapore Exchange Securities Trading (" SGX-ST " or " SGX ") in Singapore based on market capitalisation (the " Top 15 STI Companies ")	8.5
(vi)	Historical market price performance and trading activity of the Shares	8.6
(vii)	Broker target prices of the Shares	8.7
(viii)	Valuation multiples of selected public companies which are considered to be broadly comparable to the Company in limited aspects (" Comparable Companies ")	8.8
(ix)	Trailing valuation multiples of the Company relative to valuation multiples implied by the Final Offer Price;	8.9
(x)	Valuation multiples implied by selected precedent acquisitions of target companies which are considered to be broadly comparable to the Company in limited aspects;	8.10
(xi)	Premium / discount implied by selected precedent substantive / change of control acquisitions involving target companies listed on the SGX-ST (" Precedent Takeovers "); and	8.11
(xii)	Other relevant considerations which have a significant bearing on our assessment.	8.12

General bases and assumptions

The figures and underlying financial data used in our analyses in this Supplemental IFA Letter, including share prices, trading volumes, and broker research, have been extracted from, *inter alia*, SGX-ST, Bloomberg, Capital IQ, Mergermarket, and other public filings and documents. ANZ has not independently verified (nor assumed responsibility or liability for independently verifying) or ascertained and makes no representations or warranties, express or implied, as to the accuracy, completeness or adequacy of such information.

Relevant benchmark dates

For the purpose of our analyses, apart from the Latest Practicable Date, we have referred to the relevant benchmark dates, where required, as shown below:

- (i) 20 September 2017: The last full market trading day ("**Last Undisturbed Trading Date**" or "**LUTD**") prior to the announcement dated 21 September 2017 ("**Initial Announcement Date**") by the Company that the Company had been approached by certain parties in connection with a potential transaction in relation to the securities of the Company and the Company has appointed Rippledote Capital Advisers Pte. Ltd. ("**Rippledote**") as its financial adviser in connection with such approaches;

- (ii) 9 November 2017: The last full market trading day ("**LTD to Holding Announcement Date**") prior to the announcement dated 10 November 2017 ("**Holding Announcement Date**") by the Company that the Company had received a non-binding letter from SCPE confirming its proposal to acquire the Shares;
- (iii) 10 January 2018: The last full market trading day ("**LTD to Pre-Conditional Offer Announcement Date**") prior to the date of the announcement dated 11 January 2018 ("**Pre-Conditional Offer Announcement Date**") by the Offeror about the Offeror's pre-conditional voluntary conditional cash offer for the Shares; and
- (iv) 9 March 2018: The last full market trading day ("**LTD to Offer Announcement Date**") prior to the announcement dated 9 March 2018 ("**Offer Announcement Date**") released by the Offeror after market close about the Offeror's voluntary conditional cash offer for the Shares.

Comparable Companies

The summary description of the Comparable Companies we have reviewed for our analysis is set out in the following table:

Company	Company Description	Market Cap ⁽¹⁾ (S\$M)
Tiong Woon Corporation Holding Ltd. (" Tiong Woon ")	- Listed on the SGX-ST and headquartered in Singapore - Engages in rental and trading of cranes, heavy lift and haulage solutions as well as provision of tug and barge services - Ranked as the 18th largest crane-owning company globally by the International Crane and Specialized Transport trade magazine in its IC50 2017 survey - Sole distributor for IHI crawler cranes in ASEAN (except Indonesia), authorised dealer for all XCMG products in Southeast Asia and exclusive distributor for Zoomlion tower cranes in Singapore	70
Sin Heng Heavy Machinery Limited (" Sin Heng ")	- Listed on the SGX-ST and headquartered in Singapore - Engages in rental and trading of cranes, aerial lifts and other lifting equipment as well as sale and distribution of related parts - Regional presence in the ASEAN region including wholly-owned subsidiaries and joint ventures in Malaysia, Vietnam, Myanmar, Indonesia and Hong Kong	56
Hiap Tong Corporation Ltd. (" Hiap Tong ")	- Listed on the SGX-ST (Catalist board) and headquartered in Singapore - Engages in the rental and sale of cranes, prime movers and trailers with a business focused in Singapore - Reportedly offers the largest range of lifting capabilities in the hydraulic mobile crane category in Singapore	30
Boom Logistics Limited (" Boom Logistics ")	- Listed on the ASX and headquartered in Victoria, Australia - Engages in rental and trading of cranes, travel towers and access equipment. Also provides lifting solutions and engineering services - Offers a total lifting solution, short term or long term crane hire across Australia, via 20 depots and c.550 staff across the country	95

JP Nelson Holdings Pte Ltd. ("JP Nelson")	- Listed on the GTSM (formerly the Gre Tai Securities Market) and headquartered in Singapore - Provides sales and leasing of equipment for the engineering, construction, shipyard/ship building, oil and gas and offshore industries - Products include cranes, lifts, excavators, power generators, air compressors, etc. Also offers logistical support services, repairs and maintenance	40
--	--	----

Source: Annual reports, company websites and Capital IQ.

Note:

(1) Market capitalisation calculated based on share prices and exchange rates from Capital IQ as at the Latest Practicable Date multiplied by the fully diluted shares outstanding as per the latest company filings.

For the purpose of our analyses in this Supplemental IFA Letter, the Comparable Companies are further separated into three sub-groups based on their listing locations: (i) three of the Comparable Companies that are listed on the SGX-ST comprising Tiong Woon Corporation Holding Ltd, Sin Heng Heavy Machinery Limited and Hiap Tong Corporation Ltd. (the "**SGX-listed Peers**"), (ii) one of the Comparable Companies that is listed on the Australian Securities Exchange ("**ASX**"), Boom Logistics Limited (the "**ASX-listed Peer**"), and (iii) one of the Comparable Companies that is listed on the Gre Tai Securities Market ("**GTSM**"), JP Nelson Holdings Pte Ltd. (the "**GTSM-listed Peer**").

Valuation ratios

We have applied the following valuation ratios in our financial analyses of the Final Offer Price:

Valuation Multiple	Description
EV / Sales	"EV" or "enterprise value" is the sum of the company's market capitalisation, preferred equity, minority interests, short and long term debt less its cash and cash equivalents. The "EV/Sales" ratio illustrates the market value of a company's business relative to its historical sales, without regard to the company's capital structure.
EV / EBITDA	"EV" or "enterprise value" is the sum of the company's market capitalisation, preferred equity, minority interests, short and long term debt less its cash and cash equivalents. "EBITDA" stands for historical earnings before interest, tax, depreciation and amortization expenses, inclusive of share of associates' and joint ventures' income and excluding exceptional items. The "EV/EBITDA" ratio illustrates the market value of a company's business relative to its historical pretax operating cash flow performance, without regard to the company's capital structure.
P / NAV	"NAV" or "net asset value" is the book value of a company's shareholders' equity. The "P/NAV" or "price-to-NAV" ratio illustrates the ratio of the market price of a company's shares relative to its historical book value per share as recorded in its latest reported financial statements. Comparisons of companies using their book value are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies. We note that cranes and equipment represent a material part of the Company's assets and are accounted and reported in the following manner: (i) Crane and tower cranes for rental as well as equipment for rental, recorded as "property, plant and equipment" on the Company's balance sheet, are measured at cost less accumulated depreciation and accumulated impairment losses. This practice appears in line with industry peers (for example Tiong Woon, Sin Heng and Hiap Tong); and (ii) Cranes, equipment and spare parts held for resale, recorded as "inventories" on the Company's balance sheet, are subject to annual independent valuations by external valuers, thereby obtaining a valuation report from external valuers in order to assess the realisable value of the cranes. These assets for resale are recorded based on the lower of cost and net realisable value.

In relation to the P / NAV ratio, we note that this type of asset-based valuation approach provides an estimate of the value of a company assuming the hypothetical sale of all its assets over a reasonable period of time, repayment of its liabilities and obligations, and with the balance being available for distribution to its Shareholders. While the asset base of the Company can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions.

In applying the above ratios, we have considered whether the multiples of the Company, implied by the Final Offer Price, lie above, within or below the mean and median, and the minimum and maximum of the range implied by the relevant ratios considered set out in this Supplemental IFA Letter.

We note that the accounting principles used by the respective Comparable Companies may be different. Such differences may therefore render any comparisons carried out less useful than if the same accounting principles were being used. In addition, we note that the Comparable Companies are not identical to the Company in terms of, *inter alia*, location, business mix, scale, geographical spread and track record. Any conclusions drawn from any comparisons made may therefore not necessarily reflect the possible market valuation of the Company.

8.1 Historical financial performance and condition of the Group

The Group's recent historical profitability and financial position in respect of the audited financial years ("FY") ended 31 March 2015, 2016 and 2017 ("FY2015", "FY2016" and "FY2017", respectively) and unaudited 9-month period ended 31 December 2016 and 31 December 2017 ("9M FY2017" and "9M FY2018", respectively) are summarized below. The following financial information should be read in conjunction with the full text of the Company's annual reports for FY2015, FY2016 and FY2017 and unaudited financial statements for 9M FY2017 and 9M FY2018 including the notes thereto.

The salient income statement, cash flow statement and balance sheet items as well as selected financial ratios of the Group for FY2015, FY2016, FY2017, 9M FY2017 and 9M FY2018 are summarized below:

Historical financial performance of the Group

All figures in S\$'000s	FY2015	FY2016	FY2017	9M FY2017 (Unaudited)	9M FY2018 (Unaudited)
Income statement⁽¹⁾					
Revenue	608,597	528,228	458,293	348,068	365,519
YoY growth	(11.0%)	(13.2%)	(13.2%)	(13.3%)	5.0%
Gross profit	212,093	159,485	127,417	100,673	100,187
Margin	34.8%	30.2%	27.8%	28.9%	27.4%
(Loss)/profit before income tax	18,357	(37,899)	(30,482)	(4,454)	(7,166)
Margin	3.0%	(7.2%)	(6.7%)	(1.3%)	(2.0%)
(Loss)/profit attributable to owners of the Company	4,865	(39,312)	(38,009)	(8,770)	(10,275)
EBITDA ⁽²⁾	126,398	82,645	55,300	49,247	59,255
Cash flow statement⁽¹⁾					
Net cash from operating activities	141,624	82,174	85,177	47,641	56,487
Net cash flows (used in)/from investing activities	14,496	43,459	41,868	24,850	2,750
Net cash used in financing activities	(113,862)	(86,619)	(165,441)	(107,071)	(60,690)
Net increase/(decrease) in cash and cash equivalents ⁽³⁾	42,258	39,014	(38,396)	(34,252)	(1,453)
Cash and cash equivalents at end of the period ⁽³⁾	92,237	130,072	92,538	96,757	90,335
Balance sheet⁽¹⁾					
Current assets	485,146	505,442	456,427	508,183	475,538
Non-current assets	1,012,019	865,648	803,701	814,689	762,043
Total assets	1,497,165	1,371,090	1,260,128	1,322,872	1,237,581
Current liabilities	402,020	415,984	299,103	391,203	425,765
Non-current liabilities	393,745	325,423	339,034	308,603	201,042
Total liabilities	795,765	741,407	638,137	699,806	626,807
Equity attributable to owners of the Company	650,829	585,701	587,363	579,300	577,692
Non-controlling interests	50,571	43,982	34,628	43,766	33,082
Total equity	701,400	629,683	621,991	623,066	610,774
Total equity and liabilities	1,497,165	1,371,090	1,260,128	1,322,872	1,237,581
Financial ratios⁽¹⁾					
Earning / (loss) per Share (S\$c)	0.77	(6.22)	(5.91)	(1.39)	(1.36)
Return on equity ⁽⁴⁾ ("ROE")	0.7%	n.m.	n.m.	n.m.	n.m.
Net gearing ⁽⁵⁾ (times)	0.8x	0.7x	0.6x	0.7x	0.5x
Interest cover ⁽⁶⁾ (times)	5.0x	2.8x	2.9x	n.a. ⁽⁷⁾	n.a. ⁽⁷⁾

Source: Company annual reports and unaudited third quarter financial statements announcement.

Notes:

- (1) As reported by the Company in its respective annual reports and unaudited quarterly financial statements.
- (2) EBITDA includes share of results of associates and joint ventures and has been adjusted for one-off items including gain on disposal of subsidiaries and plant, property and equipment, trade receivables written off, realised and unrealised foreign exchange loss, impairment loss on plant, property and equipment and impairment loss on investment in associates, intangible assets and re-measurement of assets held for sale.
- (3) Cash and cash equivalents exclude bank balances earmarked for certain banking facilities.
- (4) As reported by the Company.
- (5) As reported by the Company.
- (6) As reported by the Company.
- (7) The Company does not report interest cover ratios in its unaudited quarterly financial statements and related result announcements.

Based on the above, we note that:

- (i) The Group's reported revenue decreased year-on-year ("YoY") in FY2015, FY2016, and FY2017 by approximately 11.0%, 13.2% and 13.2%, respectively. In 9M FY2018, the Group's reported revenue increased by 5.0% YoY;
- (ii) The Group's reported gross profit margins were approximately 34.8%, 30.2%, 27.8%, and 27.4% in FY2015, FY2016, FY2017 and 9M FY2018, respectively;

- (iii) The Group's reported profit margins (before income tax) were approximately 3.0%, -7.2%, -6.7% and -2.0% in FY2015, FY2016, FY2017 and 9M FY2018, respectively;
- (iv) The Group's net cashflows from operating activities decreased from S\$141.6 million in FY2015 to S\$85.2 million in FY2017;
- (v) Shareholders' equity had decreased from S\$650.8 million in FY2015 (31 March 2015) to S\$577.7 million in 9M FY2018 (31 December 2017);
- (vi) The Group's reported ROE had been negative in FY2016 and FY2017.
- (vii) The Group's reported net gearing ratio had decreased from 0.8x in FY2015 (31 March 2015) to 0.5x in 9M FY2018 (31 December 2017); and
- (viii) The Group's reported interest cover ratio had adversely decreased from 5.0x in FY2015 to 2.9x in FY2017.

8.2 The Company's reported commentary on significant trends and competitive conditions of the industry

We note that the following commentary was made in the Company's result announcement on 13 February 2018 for the nine-month period ended 31 December 2017 (refer to **Appendix 8** to the Circular):

"Overall, whilst the business climate for the crane rental market and other sectors in which the Group operates in the People's Republic of China and Australia is positive, there may be pockets of weaknesses arising from challenging market conditions in certain parts of the ASEAN region and newly announced environmental regulations affecting the Beijing area.

For the Crane Rental Division, while market sentiments are improving in Australia, market weakness and competitive pricing pressures are expected to continue in certain parts of the ASEAN region.

As for the Tower Crane Rental Division in China, there is a strong pipeline of committed projects in the building, infrastructure, transport and power generation sectors.

Further, infrastructure spending in Australia is increasing, which the General Equipment Rental Division hopes to take advantage of.

As for the Distribution Division, demand in Australia is improving, though continued weakness in the heavy equipment market is expected to continue in the ASEAN region.

Notwithstanding the above, the Group will continue its fleet rationalisation activities. The Group will also continue to take advantage of its strong China presence to explore opportunities in China's Belt and Road Initiative."

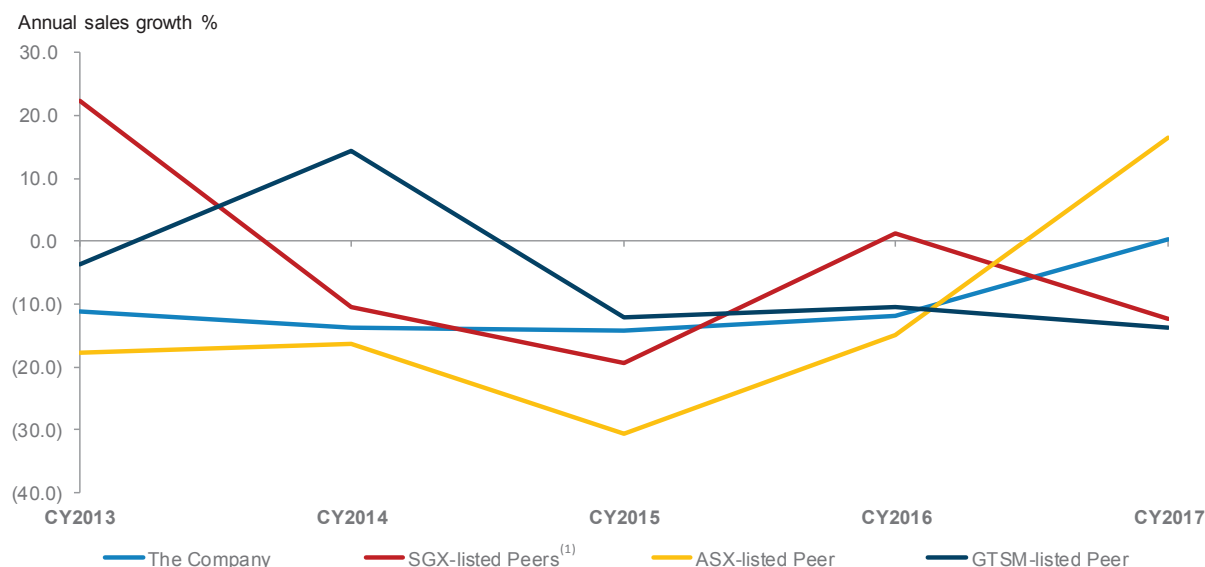
We note that the commentary above points to a potential recovery in some (but not all) parts of the Company's business in the future. However, there is no certainty as to the timing or magnitude of any potential recovery. We have not considered, and we do not express, any view on the future growth prospects, earnings potential or valuation of the Company.

8.3 Historical industry trends and selected financial ratios

As part of our evaluation of the terms of the Final Offer Price, we have considered the historical trends relating to selected financial metrics reflecting the competitive conditions of the industry in which the Company operates.

We set out below a comparison of the historical annual sales growth trends of the Company against those of the SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer over the 5 calendar years ("CYs") prior to the Latest Practicable Date.

Annual sales growth trend - CY2013 to CY2017



Summary - CY2013 to CY2017

	Compound Annual Growth Rate ("CAGR") (%)	Absolute change in sales %
The Company	(10.1%)	(34.6%)
SGX-listed Peers	(15.9%)	(49.9%)
ASX-listed Peer	(12.9%)	(42.6%)
GTSM-listed Peer	(6.2%)	(22.7%)

Source: Capital IQ.

Note:

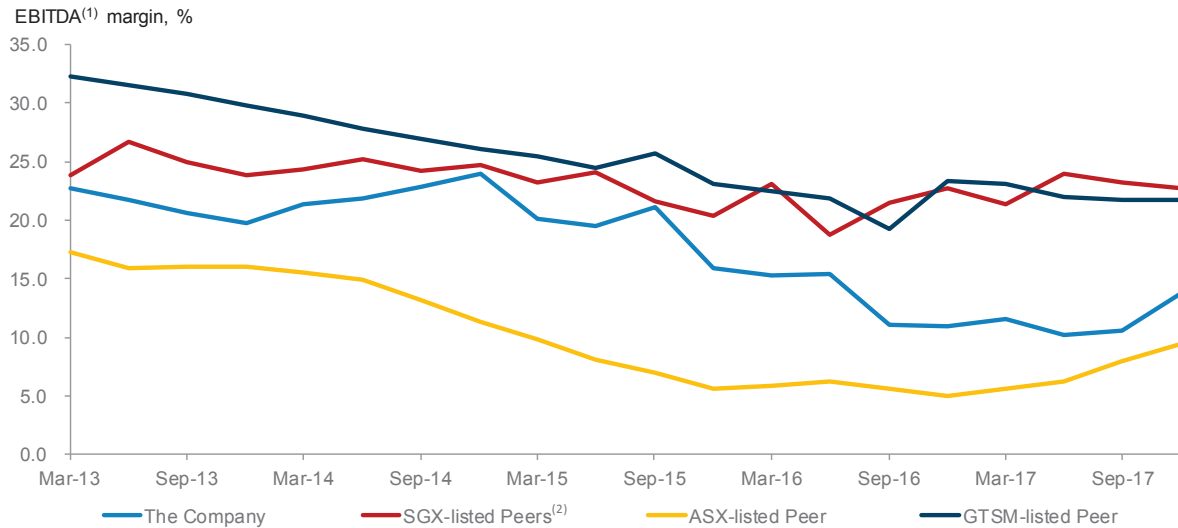
(1) Constituents include the Comparable Companies (Tiong Woon Corporation Holding Ltd, Sin Heng Heavy Machinery Limited and Hiap Tong Corporation Ltd.) and are weighted based on their respective market capitalisations in the calculation of the SGX-listed Peers' annual sales growth values.

Based on the above, we note that:

- (i) The sector in general, as observed for the Company, SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer, had experienced negative growth in their annual sales over the 5 CYs prior to the Latest Practicable Date, with CY2013 to CY2017 CAGRs of -10.1% , -15.9% , -12.9% and -6.2% , respectively; and
- (ii) Absolute annual sales for the Company, SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer have decreased by 34.6% , 49.9% , 42.6% and 22.7% from CY2013 to CY2017, respectively.

We also set out below a comparison of the historical EBITDA margin trends (based on the trailing LTM EBITDA) of the Company against those of the SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer over the last 5 CYs prior to the Latest Practicable Date.

Historical EBITDA margin trend - CY2013 to CY2017



Source: Capital IQ.

Note:

(1) EBITDA margin is calculated as: EBITDA / total sales.

(2) Constituents include the Comparable Companies (Tiong Woon Corporation Holding Ltd, Sin Heng Heavy Machinery Limited and Hiap Tong Corporation Ltd.) and are weighted based on their respective market capitalisations in the calculation of the SGX-listed Peers' EBITDA margin values.

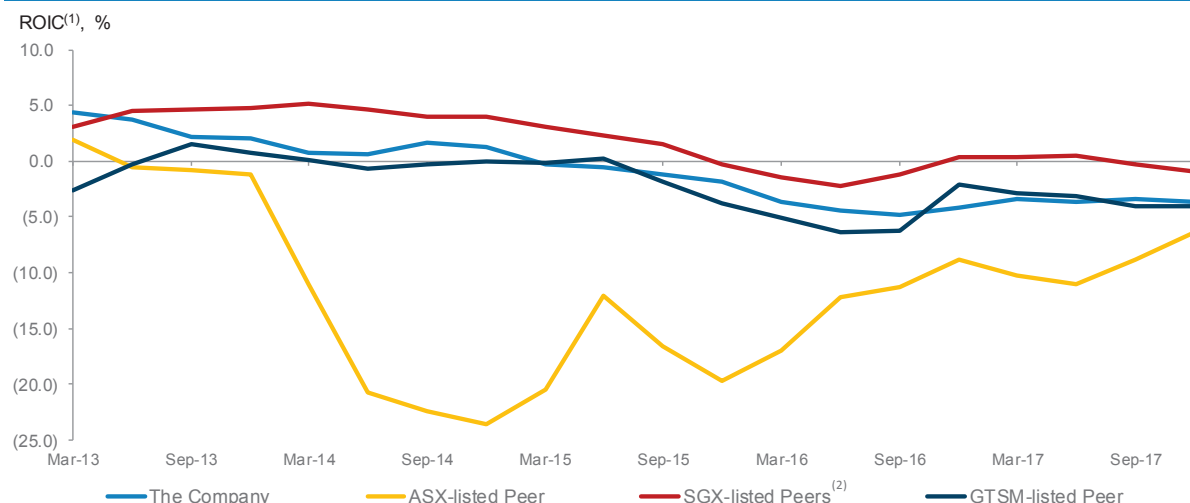
Change in EBITDA margins - CY2013 to CY2017

	CY2013 EBITDA margin (%)	CY2017 EBITDA margin (%)	Change in EBITDA margin (%)
	(A)	(B)	(A) - (B)
The Company	19.7%	13.7%	(6.0%)
SGX-listed Peers	23.8%	22.8%	(1.0%)
ASX-listed Peer	16.0%	9.5%	(6.6%)
GTSM-listed Peer	29.8%	21.8%	(8.0%)

Based on the above, we note that the sector in general, as observed for the Company, SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer, had experienced a trend of declining EBITDA margins over the 5 CYs prior to the Latest Practicable Date, with total declines of 6.0%, 1.0%, 6.6% and 8.0%, respectively, on a percentage point basis from CY2013 to CY2017.

We have further set out below a comparison of the historical return on invested capital ("ROIC") trends (based on trailing net income) of the Company against those of the Comparable Companies over the last 5 CYs prior to the Latest Practicable Date.

Historical ROIC trend - CY2013 to CY2017



Source: Capital IQ.

Note:

(1) ROIC is calculated as: (Net income – total dividends paid) / (total common equity + total preferred equity + minority interest + total debt).

(2) Constituents include the Comparable Companies (Tiong Woon Corporation Holding Ltd, Sin Heng Heavy Machinery Limited and Hiap Tong Corporation Ltd.) and are weighted based on their respective market capitalisations in the calculation of the SGX-listed Peers' ROIC values.

Change in ROIC - CY2013 to CY2017

	CY2013 ROIC (%)	CY2017 ROIC (%)	Change in ROIC (%)
	(A)	(B)	(A) - (B)
The Company	2.0%	(3.7%)	(5.7%)
SGX-listed Peers	4.7%	(0.9%)	(5.6%)
ASX-listed Peer	(1.2%)	(6.4%)	(5.3%)
GTSM-listed Peer	0.7%	(4.0%)	(4.7%)

Based on the above, we note that:

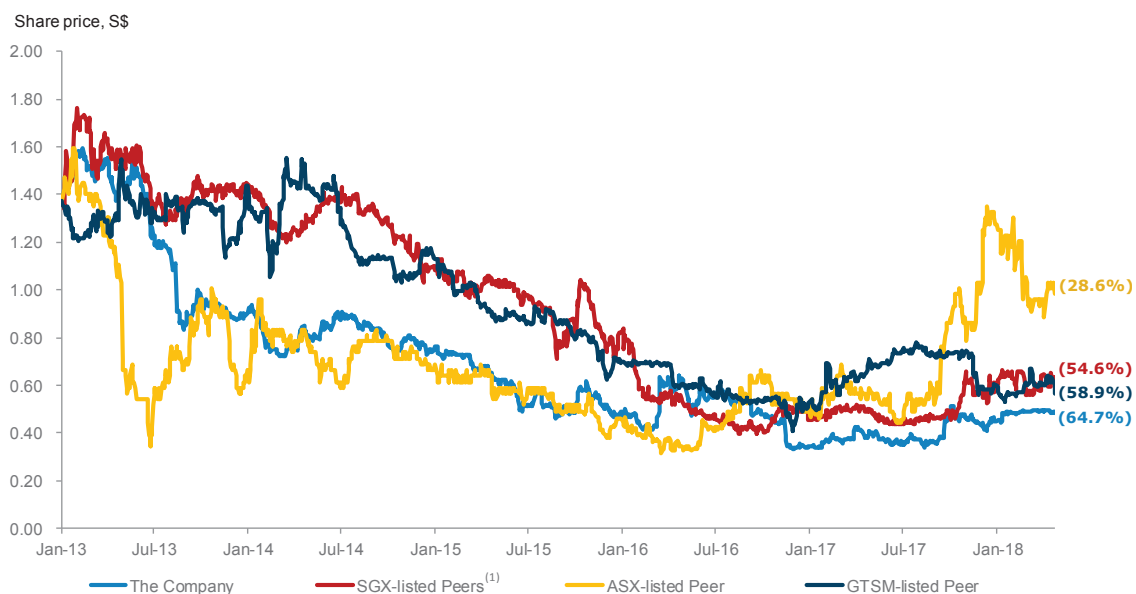
- The sector in general, as observed for the Company, SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer, had experienced a trend of declining ROICs over the 5 CYs prior to the Latest Practicable Date, with total declines of 5.7%, 5.6%, 5.3% and 4.7%, respectively, on a percentage points basis from CY2013 to CY2017; and
- The Company's ROIC has been negative since CY2015 and up to the Latest Practicable Date, thereby underperforming its SGX-listed Peers.

Based on the analysis above, the industry in which the Company operates appears to have been in a downtrend, as evidenced by the selected financial metrics of the Company and its peers over the last 5 calendar years. As with any cyclical industry, a recovery may eventually materialise, albeit with uncertainty around the timing and magnitude of any such recovery.

8.4 Industry relative share price performance

The chart below sets out the market price performance, on a daily basis, of the Comparable Companies (as defined herein) rebased to that of the Shares for the period starting 1 January 2013 and up to the Latest Practicable Date:

Relative share price performance from 1 Jan 2013 to the LPD



Source: Capital IQ. Market data as of 25 April 2018 close.

Note:

- (1) Constituents include the Comparable Companies (Tiong Woon Corporation Holding Ltd, Sin Heng Heavy Machinery Limited and Hiap Tong Corporation Ltd.) and are weighted based on their respective market capitalisations. This custom index has been rebased to the closing price of the Shares at the start of the aforementioned period.

Based on the above, we note that:

- (i) The sector in general, as observed for the Company, SGX-listed Peers, ASX-listed Peer and GTSM-listed Peer, had experienced a trend of declining share prices over the period starting 1 January 2013 and up to the Latest Practicable Date, with total declines of 64.7%, 54.6%, 28.6% and 58.9%, respectively; and
- (ii) Boom Logistics' share price may have been supported by takeover speculation as Mergermarket had reported in November 2017 that its top shareholder had plans to exit and that several approaches had been received in connection to a potential acquisition of a stake in the company.

Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance.

8.5 Relative liquidity analysis

In general, share prices may be affected by various factors including free float, relative liquidity and investor interest or market sentiment at a given point in time. In evaluating the Final Offer Price relative to the Company's historical Share price, we have considered the relative liquidity of the Company in comparison with the Top 15 STI Companies, as of the Latest Practicable Date and the Last Undisturbed Trading Date. This analysis is to determine whether historical trading prices provide a meaningful reference point for comparison against the Final Offer Price.

Liquidity analysis of the Top 15 STI Companies as of the Latest Practicable Date⁽¹⁾

Company Name	Market capitalisation ⁽²⁾ (S\$m)	Free Float ⁽³⁾ (%)	Past 12 months ADTV (‘000 shares) ⁽⁴⁾	Past 12 months ADTV (S\$’000)	12-mth ADTV / Free Float (%) ⁽⁵⁾	12-mth ADTV / Market cap. (%) ⁽⁶⁾
DBS Group Holdings Ltd	76,378	70.6%	4,178	99,694	0.23%	0.13%
Oversea-Chinese Banking Corporation Limited	57,259	79.8%	4,920	57,952	0.15%	0.10%
Singapore Telecommunications Limited	55,518	50.0%	19,343	70,409	0.24%	0.13%
United Overseas Bank Limited	49,577	85.6%	2,096	53,313	0.15%	0.11%
Jardine Matheson Holdings Limited	44,672	34.3%	190	12,119	0.08%	0.03%
Jardine Strategic Holdings Limited	42,237	16.4%	216	8,947	0.12%	0.02%
Thai Beverage Public Company Limited	21,219	32.2%	17,342	15,561	0.21%	0.07%
Wilmar International Limited	20,434	31.2%	5,356	17,732	0.27%	0.09%
Hongkong Land Holdings Limited	16,705	49.8%	1,425	10,390	0.12%	0.06%
CapitaLand Limited	15,753	59.4%	9,141	33,292	0.37%	0.21%
Keppel Corporation Limited	14,636	99.9%	3,813	28,156	0.21%	0.19%
Genting Singapore PLC	14,093	47.0%	24,579	29,327	0.43%	0.21%
Jardine Cycle & Carriage Limited	13,438	25.0%	227	9,126	0.23%	0.07%
Singapore Airlines Limited	12,712	44.3%	1,244	13,150	0.24%	0.10%
City Developments Limited	11,384	64.6%	1,558	18,679	0.27%	0.16%
Maximum	76,378	99.9%	24,579	99,694	0.43%	0.21%
Mean	31,068	52.7%	6,375	31,856	0.22%	0.11%
Median	20,434	49.8%	3,813	18,679	0.23%	0.10%
Minimum	11,384	16.4%	190	8,947	0.08%	0.02%
The Company	365	41.7%	1,054	488	0.34%	0.13%

Source: Bloomberg. Market data as of the Latest Practicable Date close.

Notes:

- (1) All figures as of the Latest Practicable Date. Great Eastern Holdings Limited has been excluded from the list as it is an outlier with 11.2% free float and 12-mth ADTV / free float of 0.02% and 12-mth ADTV / market capitalisation of 0.002%.
- (2) Closing share price multiplied by number of shares outstanding.
- (3) Free float percentages are based on Bloomberg.
- (4) Average daily traded volume for the 12-month period up to the Latest Practicable Date expressed in thousands of shares.
- (5) Average daily traded volume for the 12-month period up to the Latest Practicable Date, divided by free float number of shares.
- (6) Average daily traded value for the 12-month period up to the Latest Practicable Date, divided by market capitalisation.

With respect to the above table, we note that:

- (i) In the 12-month period up to the Latest Practicable Date, the average daily traded volume of the Shares represented 0.34% of the Company's free float which is within the Top 15 STI Companies range of 0.08% to 0.43% and above the mean and median of 0.22% and 0.23%, respectively; and
- (ii) In the 12-month period up to the Latest Practicable Date, the average daily traded value of the Shares represented 0.13% of the Company's market capitalisation which is within the Top 15 STI Companies range of 0.02% to 0.21% and above the mean and median of 0.11% and 0.10%, respectively.

The above analysis suggests that the Shares did not suffer from illiquid trading conditions in the 12-month period up to the Latest Practicable Date.

Liquidity analysis of the Top 15 STI Companies as of the Last Undisturbed Trading Date⁽¹⁾

Company Name	Market capitalisation ⁽²⁾ (S\$m)	Free Float ⁽³⁾ (%)	Past 12 months ADTV ('000 shares) ⁽⁴⁾	Past 12 months ADTV (S\$'000)	12-mth ADTV / Free Float (%) ⁽⁵⁾	12-mth ADTV / Market cap. (%) ⁽⁶⁾
Singapore Telecommunications Limited	60,418	50.1%	18,401	70,225	0.23%	0.12%
DBS Group Holdings Ltd	52,342	70.6%	4,365	81,649	0.24%	0.16%
Jardine Strategic Holdings Limited	50,066	16.3%	396	15,285	0.22%	0.03%
Jardine Matheson Holdings Limited	47,174	34.8%	226	14,049	0.09%	0.03%
Oversea-Chinese Banking Corporation Limited	46,124	79.8%	4,877	47,853	0.15%	0.10%
United Overseas Bank Limited	38,390	85.6%	2,211	47,382	0.16%	0.12%
Thai Beverage Public Company Limited	22,850	32.2%	18,090	16,441	0.22%	0.07%
Wilmar International Limited	20,618	31.5%	6,019	21,156	0.30%	0.10%
Hongkong Land Holdings Limited	17,552	49.8%	1,526	10,841	0.13%	0.06%
Jardine Cycle & Carriage Limited	15,592	25.0%	250	10,635	0.25%	0.07%
CapitaLand Limited	15,460	59.9%	9,427	32,619	0.37%	0.21%
Genting Singapore PLC	13,649	47.0%	21,754	22,078	0.38%	0.16%
Singapore Airlines Limited	11,979	44.3%	1,232	12,422	0.24%	0.10%
Keppel Corporation Limited	11,548	99.9%	3,834	23,916	0.21%	0.21%
Singapore Technologies Engineering Ltd	10,976	48.9%	3,048	10,769	0.20%	0.10%
Maximum	60,418	99.9%	21,754	81,649	0.38%	0.21%
Mean	28,982	51.7%	6,377	29,155	0.23%	0.11%
Median	20,618	48.9%	3,834	21,156	0.22%	0.10%
Minimum	10,976	16.3%	226	10,635	0.09%	0.03%
The Company	290	41.7%	740	283	0.24%	0.10%

Source: Bloomberg. Market data as of the Last Undisturbed Trading Date close.

Notes:

- (1) All figures as of the Last Undisturbed Trading Date. Great Eastern Holdings Limited has been excluded from the list as it is an outlier with 11.2% free float and 12-mth ADTV / free float of 0.02% and 12-mth ADTV / market capitalisation of 0.002%.
- (2) Closing share price multiplied by number of shares outstanding.
- (3) Free float percentages are based on Bloomberg.
- (4) Average daily traded volume for the 12-month period up to the Last Undisturbed Trading Date expressed in thousands of shares.
- (5) Average daily traded volume for the 12-month period up to the Last Undisturbed Trading Date, divided by free float number of shares.
- (6) Average daily traded value for the 12-month period up to the Last Undisturbed Trading Date, divided by market capitalisation.

With respect to the above table, we note that:

- (i) In the 12-month period up to the Last Undisturbed Trading Date, the average daily traded volume of the Shares represented 0.24% of the Company's free float which is within the Top 15 STI Companies range of 0.09% to 0.38% and above the mean and median of 0.23% and 0.22%, respectively; and
- (ii) In the 12-month period up to the Last Undisturbed Trading Date, the average daily traded value of the Shares represented 0.10% of the Company's market capitalisation which is within the Top 15 STI Companies range of 0.03% to 0.21% and broadly in line with the mean and median of 0.11% and 0.10%, respectively.

The above analysis suggests that the Shares did not suffer from illiquid trading conditions in the 12-month period up to the Last Undisturbed Trading Date.

Since 15 March 2016 there have been a number of corporate actions which may have had an impact on both the Share price performance and the volume of trading of the Shares. We observe that the trading liquidity of the Shares was significantly lower prior to March 2016. We note that there is no assurance that the Share price and its trading liquidity would remain at current levels in the event the Offer lapses. We also wish to highlight that the historical trading performance of the Shares serves only as an illustrative guide and should not be relied upon as an indication of the future price performance of the Shares, which will be governed by amongst other factors, the performance and prospects of the Company, prevailing economic conditions, economic outlook, and stock market conditions and sentiment.

8.6 Historical Share price trading and VWAP analysis

We have compared the Final Offer Price to the historical price performance of the Shares and considered the historical trading activity of the Shares. We set out below a chart of the closing price of the Shares for the period starting from 24-month prior to the Last Undisturbed Trading Date and up to the Latest Practicable Date.



Source: Capital IQ, Company announcements.

We note that the above chart includes market data of up to the Latest Practicable Date (25 April 2018), being the day prior to the Offer Revision Announcement dated 26 April 2018. The closing price of the Shares on 26 April 2018, being the date the Offer Revision Announcement was released, was S\$0.54 per Share.

A summary of the salient announcements made by the Company during the 24-month period up to the Last Undisturbed Trading Date and up to the Latest Practicable Date is set out below:

(1)	21-Sep-15	Announced proposed spin-off and listing of part or all of the Group's business in the People's Republic of China on the Taiwan Stock Exchange
(2)	13-Nov-15	2Q FY2016 results announcement: The Company reports 2Q FY2016 net profit of S\$4.4 million, representing a decline of 62% over the same period a year ago
(3)	12-Feb-16	3Q FY2016 results announcement: The Company reports 3Q FY2016 net loss of S\$6.7 million, compared with a net profit of S\$4.5 million for the same quarter a year ago
(4)	15-Feb-16	Announced disposal of 11 Gul Crescent property to JTC Corporation for a cash consideration of S\$21.0 million, resulting in a pre-tax gain on disposal of approximately S\$9.5 million
(5)	15-Mar-16	Announced that the Company had been approached in connection with a potential transaction which may or may not lead to an acquisition of the issued share capital of the Company. The Company appointed Rippledot as its financial adviser in connection with such approach
(6)	27-May-16	4Q FY2016 results announcement: The Company reports 4Q FY2016 net

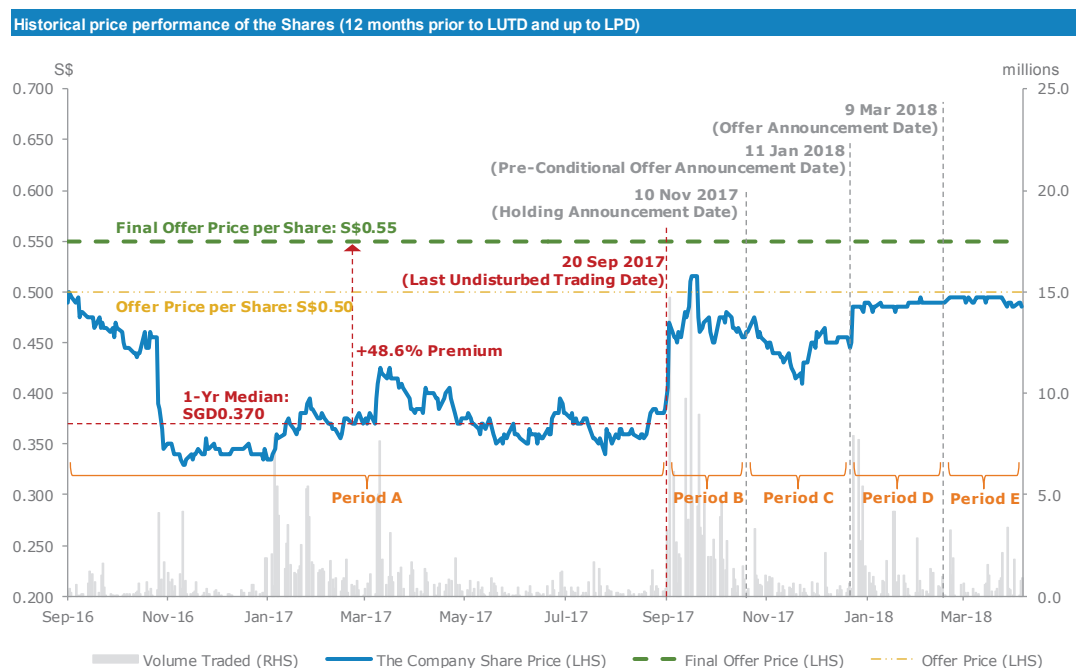
		loss of S\$39.8 million, compared with a net loss of S\$17.1 million for the same quarter a year ago
(7)	4-Jul-16	Announced that the Company's 82%-owned subsidiary, Tat Hong Equipment Service Co. Ltd., has informed the Taiwan Stock Exchange ("TWSE") that it will not proceed with the listing of its shares on TWSE
(8)	12-Aug-16	1Q FY2017 results announcement: The Company reports 1Q FY2017 net loss of S\$3.6 million, compared with a net profit of S\$2.8 million for the same quarter a year ago
(9)	8-Sep-16	Pursuant to the announcement made on 15 March 2016, the Company announced that the counterparty had informed the Company it would not be proceeding with its assessment of the potential transaction, in view of the economic conditions impacting the counterparty's business at that point in time. Accordingly, the Company had ceased discussions with the counterparty
(10)	14-Nov-16	2Q FY2017 results announcement: The Company reports 2Q FY2017 net loss of S\$5.4 million, compared with a net profit of S\$4.4 million for the same quarter a year ago; Announced a proposal for a renounceable underwritten rights issue of up to 125,776,884 new ordinary Shares at an issue price of S\$0.33 for each rights Share, on the basis of one rights Share for every five existing ordinary Shares held by the Shareholders
(11)	14-Feb-17	3Q FY2017 results announcement: The Company reports 3Q FY2017 net profit of S\$0.2 million, compared with a net loss of S\$6.7 million for the same quarter a year ago
(12)	30-May-17	4Q FY2017 results announcement: The Company reports 4Q FY2017 net loss of S\$29.2 million, compared with a net loss of S\$39.8 million for the same quarter a year ago
(13)	14-Aug-17	1Q FY2018 results announcement: The Company reports 1Q FY2018 net loss of S\$5.1 million, compared with a net loss of S\$3.6 million for the same quarter a year ago
(14)	21-Sep-17	Initial Announcement Date – Announced that the Company had been approached by certain parties in connection with a potential transaction in relation to the securities of the Company. The Company appointed Rippledot as its financial adviser in connection with such approaches
(15)	10-Nov-17	Holding Announcement Date – Announced that the Company has received a non-binding letter from SCPE confirming its proposal to acquire the Shares of the Company at an offer price of S\$0.50 per Share, subject to various conditions
(16)	14-Nov-17	2Q FY2018 results announcement: The Company reports 2Q FY2018 net loss of S\$2.8 million, compared with a net loss of S\$5.4 million for the same quarter a year ago
(17)	11-Jan-18	Pre-Conditional Offer Announcement Date – OCBC announced, for and on behalf of the Offeror, the Offeror's voluntary conditional cash offer for the Shares of the Company
(18)	25-Jan-18	In connection with the Offer, OCBC announced, for and on behalf of the Offeror, that the ACCC Clearance Condition had been satisfied
(19)	13-Feb-18	In connection with the Offer, OCBC announced, for and on behalf of the Offeror, that the FIRB Approval Condition had been satisfied
(20)	9-Mar-18	Offer Announcement Date – The Offeror received confirmation that the MOFCOM Clearance Condition had been satisfied; the Offeror announced its firm intention to make a voluntary conditional cash offer for all the Shares of the Company. The Offer is conditional on the Offeror receiving acceptances, which would result in the Offeror holding not less than 90% of the Shares at the close of the Offer
(21)	12-Mar-18	The Board of Directors (the "Board") of the Company announced that ANZ had been appointed as the IFA to advise the Independent Directors on the Offer

(22)	29-Mar-18	OCBC, for and on behalf of the Offeror, announced that the Offer Document had been despatched to the Shareholders
(23)	6-Apr-18	The Board announced that the Company had despatched to the Shareholders the Circular

Source: Company announcements.

We note that the above summary table includes announcements of up to the Latest Practicable Date (25 April 2018), being the day prior to the Offer Revision Announcement dated 26 April 2018.

The historical price performance of the Shares for the relevant benchmark periods starting 12 months prior to the Last Undisturbed Trading Date and up to the Latest Practicable Date is set out below:



Source: Capital IQ, Company announcements.

We note that the above chart includes market data of up to the Latest Practicable Date (25 April 2018), being the day prior to the Offer Revision Announcement dated 26 April 2018. The closing price of the Shares on 26 April 2018, being the date the Offer Revision Announcement was released, was S\$0.54 per Share.

Based on the above, we note that:

- (i) The Final Offer Price of S\$0.55 per Share represents a 48.6% premium over the median Share price of S\$0.370 per Share at which the Company had traded in the 12-month period up to the Last Undisturbed Trading Date; and
- (ii) The Final Offer Price of S\$0.55 per Share represents a 10.4% and 6.8% premium to the highest closing price of the Shares of S\$0.498 over the 12-month period up to the Last Undisturbed Trading Date and the highest closing price of the Shares of S\$0.515 over the period starting from the Initial Announcement Date up to the Latest Practicable Date, respectively.

Additional information on the traded closing prices, volume-weighted average prices ("VWAPs") and average daily trading volumes of the Shares for various reference periods up to the relevant benchmark dates is set out as follows:

Historical VWAPs and premiums implied by the Final Offer Price

Relevant benchmark period	Reference period to relevant date	Highest closing price (\$)	Lowest closing price (\$)	VWAP ⁽¹⁾ (\$)	Premium / (discount) implied by Final Offer Price ⁽²⁾	ADTV ⁽³⁾ ('000 shares)	ADTV as percentage of free float ⁽⁴⁾	ADTV ⁽⁵⁾ (\$'000)	ADTV as percentage of market cap
A.	Periods up to the Last Undisturbed Trading Date (20 Sep 2017):								
	1 Market Day	0.385	0.385	0.385 ⁽⁶⁾	42.9%	390	0.12%	148	0.05%
	1 month	0.385	0.355	0.373	47.5%	263	0.08%	98	0.03%
	3 months	0.395	0.340	0.369	49.1%	323	0.10%	119	0.04%
	6 months	0.425	0.340	0.392	40.3%	597	0.19%	234	0.08%
	12 months	0.498	0.328	0.382	44.0%	742	0.24%	283	0.10%
B.	Period from Initial Announcement Date to the LTD to Holding Announcement Date (21 Sep 2017 to 9 Nov 2017):								
	Period from Initial Announcement Date to the LTD to Holding Announcement Date	0.515	0.405	0.476	15.5%	3,460	1.10%	1,648	0.48%
	LTD to Holding Announcement Date	0.460	0.460	0.460 ⁽⁶⁾	19.6%	391	0.12%	180	0.05%
C.	Period from Holding Announcement Date to the LTD to Pre-Conditional Offer Announcement Date (10 Nov 2017 to 10 Jan 2018):								
	Period from Holding Announcement Date to the LTD to Pre-Conditional Offer Announcement Date	0.475	0.410	0.454	21.1%	550	0.18%	249	0.07%
	LTD to Pre-Conditional Offer Announcement Date	0.445	0.445	0.445 ⁽⁶⁾	23.6%	638	0.20%	287	0.09%
D.	Period from Pre-Conditional Offer Announcement Date to the LTD to Offer Announcement Date (11 Jan 2018 to 9 Mar 2018):								
	Period from Pre-Conditional Offer Announcement Date to the LTD to Offer Announcement Date	0.495	0.450	0.486	13.2%	1,381	0.44%	670	0.18%
	LTD to Offer Announcement Date	0.490	0.490	0.490 ⁽⁶⁾	12.2%	61	0.02%	30	0.01%
E.	Period from Offer Announcement Date to the Latest Practicable Date (9 Mar 2018 to 25 April 2018):								
	Period from Offer Announcement Date to Latest Practicable Date	0.495	0.485	0.489	12.5%	980	0.31%	479	0.13%
	Latest Practicable Date	0.485	0.485	0.485 ⁽⁶⁾	13.4%	928	0.30%	393	0.11%

Source: Bloomberg.

- (1) The VWAP is weighted based on the traded volume of Shares traded and transacted prices of the Shares for the Market Days in the reference periods. VWAP figures shown are rounded to the nearest three decimal places. No adjustments to share prices have been made for dividends, bonus issues or other corporate transactions in each respective reference period. Figures are rounded to the nearest three decimal places.
- (2) Rounded to the nearest one decimal place.
- (3) The average daily trading volume of the Shares is calculated based on the total volume of Shares traded divided by the number of Market Days during the relevant periods.
- (4) Free float is based on Bloomberg and refers to the number of shares that are available to the public. This figure is calculated by subtracting the shares held by insiders and those deemed to be stagnant shareholders from the shares outstanding. Stagnant holders include ESOP's, ESOT's, QUEST's, employee benefit trusts, corporations not actively managing money, venture capital companies and shares held by governments.
- (5) The average daily traded value of the Shares is calculated based on the total value of Shares traded divided by the number of Market Days during the relevant periods.
- (6) Closing price of the Shares.

Based on the above, we note that:

A. Periods up to the Last Undisturbed Trading Date

- (i) During the 12-month period prior to the Last Undisturbed Trading Date, the closing prices of the Shares ranged between a low of S\$0.328 (on 30 November 2016) and a high of S\$0.498 (on 22 September 2016). The Final Offer Price represents (i) a premium of approximately 67.5% over the lowest closing price of the Shares, and (ii) a premium of approximately 10.6% over the highest closing price of the Shares, during the aforementioned 12-month period prior to the Last Undisturbed Trading Date;
- (ii) The Final Offer Price represents a premium of 47.5%, 49.1%, 40.3% and 44.0% over the VWAP of the Shares for the 1-month, 3-month, 6-month and 12-month periods up to the Last Undisturbed Trading Date, respectively;

- (iii) The Final Offer Price represents a premium of 42.9% over the closing price of the Shares of S\$0.385 on the Last Undisturbed Trading Date;
- (iv) The average daily trading volume of the Shares as a percentage of the free float ranged between 0.08% and 0.24%, in the 1-month, 3-month, 6-month and 12-month periods up to the Last Undisturbed Trading Date;
- (v) The average daily trading volume of the Shares as a percentage of the market capitalisation ranged between 0.03% and 0.10%, in the 1-month, 3-month, 6-month and 12-month periods up to the Last Undisturbed Trading Date;

B. Period from the Initial Announcement Date to the LTD to Holding Announcement Date (21 September 2017 to 9 November 2017)

- (i) The Final Offer Price represents a premium of 15.5% over the VWAP of the Shares of S\$0.476 for the period from the Initial Announcement Date to the LTD to Holding Announcement Date;
- (ii) The Final Offer Price represents a premium of 19.6% over the closing price of the Shares of S\$0.460 on the LTD to Holding Announcement Date;
- (iii) The average daily trading volume of the Shares as a percentage of the free float and market capitalisation was approximately 1.10% and 0.48%, respectively, for the period from the Initial Announcement Date to the LTD to Holding Announcement Date;

C. Period from the Holding Announcement Date to the LTD to Pre-Conditional Offer Announcement Date (10 November 2017 to 10 January 2018)

- (i) The Final Offer Price represents a premium of 21.1% over the VWAP of the Shares of S\$0.454 for the period from the Holding Announcement Date to the LTD to Pre-Conditional Offer Announcement Date;
- (ii) The Final Offer Price represents a premium of 23.6% over the closing price of the Shares of S\$0.445 on the LTD to Pre-Conditional Offer Announcement Date;
- (iii) The average daily trading volume of the Shares as a percentage of the free float and market capitalisation was approximately 0.18% and 0.07%, respectively, for the period from the Holding Announcement Date to the LTD to Pre-Conditional Offer Announcement Date;

D. Period from the Pre-Conditional Offer Announcement Date to the LTD to Offer Announcement Date (11 January 2018 to 9 March 2018)

- (i) The Final Offer Price represents a premium of 13.2% over the VWAP of the Shares of S\$0.486 for the period from the Pre-Conditional Offer Announcement Date to the LTD to Offer Announcement Date;
- (ii) The Final Offer Price represents a premium of 12.2% over the closing price of the Shares of S\$0.490 on the LTD to Offer Announcement Date;
- (iii) The average daily trading volume of the Shares as a percentage of the free float and market capitalisation was approximately 0.44% and 0.18%, respectively, for the

period from the Pre-Conditional Offer Announcement Date to the LTD to Offer Announcement Date;

E. Period from the Offer Announcement Date to the Latest Practicable Date (9 March 2018 to 25 April 2018)

- (i) The Final Offer Price represents a premium of 12.5% over the VWAP of the Shares of S\$0.489 for the period from the Offer Announcement Date and up to the Latest Practicable Date;
- (ii) The Final Offer Price represents a premium of 13.4% over the closing price of the Shares of S\$0.485 on the Latest Practicable Date; and
- (iii) The average daily trading volume of the Shares as a percentage of the free float and market capitalisation was approximately 0.31% and 0.13%, respectively, for the period from the Offer Announcement Date to the Latest Practicable Date.

Since 15 March 2016 there have been a number of corporate actions which may have had an impact on both the Share price performance and the volume of trading of the Shares. We observe that the trading liquidity of the Shares was significantly lower prior to March 2016. We wish to highlight that there is no assurance that the Share price and its trading liquidity would remain at the current levels in the event the Offer lapses. Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance.

8.7 Broker target prices of the Shares

As part of our evaluation of the Final Offer Price, we have reviewed the price targets for the Shares issued by brokerage and research entities in the 6-month period up to and including the Last Undisturbed Trading Date.

As at the Latest Undisturbed Trading Date, there was no equity research coverage for the Company. The only research entity covering the Company was OCBC before it ceased its coverage on 20 August 2017. Prior to 20 August 2017, OCBC had a target price of S\$0.370 per Share ("**OCBC Target Price**").

We note that the Final Offer Price of S\$0.55 per Share represents a 48.6% premium to the OCBC Target Price.

8.8 Trading multiples analysis

We have examined selected Comparable Companies in the Asia Pacific region principally engaged in the crane / heavy equipment rental and trading business. Whilst we believe that there is no direct comparable to the Company, we have screened and selected the following list for relatively closer Comparable Companies based on revenue composition (i.e. business segments) and geographical mix.

We have considered the following trading multiples for the Comparable Companies with respect to multiples implied by the Final Offer Price:

- EV / Sales;
- EV / EBITDA; and
- P / NAV

We have conducted our analysis for the comparison of the implied valuation multiples for the Comparable Companies as set out below:

Trading multiples of the Comparable Companies as at LPD								
Company	Exchange	Share Price	Market Cap (S\$m) ⁽¹⁾	EV ⁽²⁾ (S\$m)	EV / Sales ⁽³⁾	EV / EBITDA ⁽⁴⁾	P / NAV ⁽⁵⁾	
					LTM	LTM	Latest	
Tiong Woon ⁽⁶⁾	SGX	SGD	0.30	70	179	1.77x	7.9x	0.28x
Sin Heng ⁽⁷⁾	SGX	SGD	0.50	56	87	1.05x	6.3x	0.47x
Hiap Tong ⁽⁸⁾	SGX (Catalist)	SGD	0.10	30	68	1.56x	5.0x	0.35x
Boom Logistics ⁽⁹⁾	ASX	AUD	0.20	95	140	0.82x	8.8x	0.65x
JP Nelson ⁽¹⁰⁾	GTSM	TWD	12.30	40	121	1.65x	7.8x	0.60x
					High	1.77x	8.8x	0.65x
					Mean	1.37x	7.2x	0.47x
					Median	1.56x	7.8x	0.47x
					Low	0.82x	5.0x	0.28x
The Company - Final Offer Price Implied ⁽¹¹⁾						1.58x	11.5x	0.72x

Source: Capital IQ, published financial statements of the respective Comparable Companies.

Notes:

- (1) Market capitalisation calculated based on share prices and exchange rates from Capital IQ as at the Latest Practicable Date multiplied by the fully diluted shares outstanding as per the latest company filings.
- (2) Enterprise Value is the sum of the market capitalisation, minority interests, short and long term debt less its cash and cash equivalents.
- (3) Ratio of enterprise value to the relevant company's last twelve months ("LTM") sales.
- (4) EBITDA includes share of results of associates and joint ventures and have been adjusted for one-off and extraordinary items per the footnotes below.
- (5) NAV based on the relevant company's book value as recorded in the latest reported financial statements, excluding any minority interests.
- (6) Financial information reflects data for the LTM ended 31 December 2017. EBITDA figure has been adjusted for extraordinary items including gain on disposal of subsidiaries and plant, property and equipment, bad debt write-offs, fair value gain/loss on financial assets at fair value and net currency translation gain/loss.
- (7) Financial information reflects data for the LTM ended 31 December 2017. EBITDA figure has been adjusted for extraordinary items including gain on derivative financial instruments, insurance claim income, gain on disposal of plant, property and equipment, net unrealised foreign exchange adjustment and loss on disposal of investment in an associate.
- (8) Financial information reflects data for the LTM ended 30 September 2017. EBITDA figure has been adjusted for extraordinary items including net foreign exchange loss, gain on disposal of plant, property and equipment, recovery of bad debts and net change in fair value of investment properties.
- (9) Based on an exchange rate of 1.00SGD/0.99AUD as of 29 March 2018. Financial information reflects data for the LTM ended 31 December 2017. EBITDA figure has been adjusted for extraordinary items including legal settlement income, loss on disposal of plant, property and equipment, impairment of plant, property and equipment and impairment of assets classified as held for sale.
- (10) Based on an exchange rate of 1.00SGD/22.23TWD as of 29 March 2018. Financial information reflects data for the LTM ended 30 September 2017.
- (11) Financial information reflects data for the LTM ended 31 December 2017. EBITDA figure has been adjusted for extraordinary items including gain on disposal of subsidiaries and plant, property and equipment, trade receivables written off, realised and unrealised foreign exchange loss, impairment loss on plant, property and equipment and impairment loss on investment in associates, intangible assets and re-measurement of assets held for sale.

Based on the above table, we note that:

- (i) The EV / LTM Sales multiple implied by the Final Offer Price of 1.58x is within the range of EV / LTM Sales multiples of the Comparable Companies of 0.82x and 1.77x and above the mean and median of 1.37x and 1.56x, respectively;
- (ii) The EV / LTM EBITDA multiple implied by the Final Offer Price of 11.5x is above the range of the EV / LTM EBITDA multiples of the Comparable Companies; and
- (iii) The P / NAV multiple implied by the Final Offer Price of 0.72x is above the range of the P / NAV multiples of the Comparable Companies.

In relation to the P / NAV multiple implied by the Final Offer Price, we note that the crane / heavy equipment rental and trading industry appears to have been in a cyclical downturn, and this is reflected in a median industry P / NAV multiple of 0.47x.

Whilst the P / NAV multiple of 0.72x implied by the Final Offer Price represents a 28.3% discount to the Company's book value, it represents a c.51.9% premium to the current median industry multiple. If and when the industry cycle recovers, the mean / median multiples may revert back to book value, although the timing of any potential recovery remains uncertain.

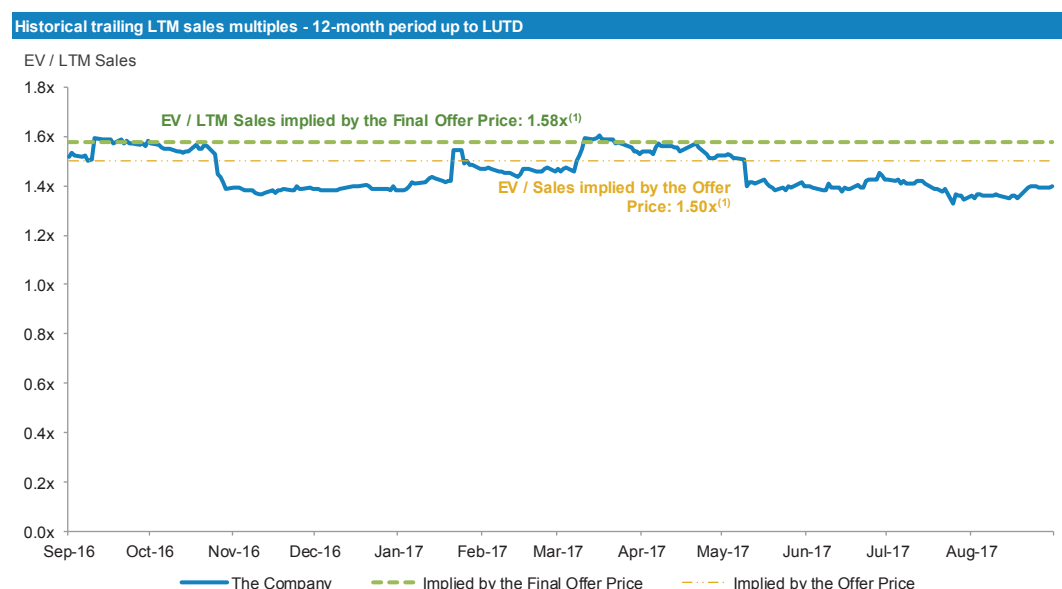
We wish to highlight that the Comparable Companies included in our analysis may not be exhaustive and they differ from the Company in terms of, *inter alia*, market capitalisation, size of operations, client base, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria respectively. As such, any comparison made is necessarily limited and merely serves only as an illustrative guide.

We further wish to highlight that the underlying financial data used to calculate the valuation multiples in our analysis have been extracted from Capital IQ, publicly available annual reports and / or public announcements of the Comparable Companies as of the Latest Practicable Date. We have not independently verified (nor have we assumed responsibility or liability for independently verifying) or ascertained and make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

8.9 Trailing valuation multiples of the Company and Comparable Companies

Historical trading multiples are related to how companies are perceived by the stock market and subject to market efficiency and rationality, reflects the information relevant to a company such as its business directions, plans and strategies, expected financial performance, future prospects and potential growth and is susceptible to, *inter alia*, investor sentiment and market speculation.

We set out below a comparison of the EV / LTM Sales multiple implied by the Final Offer Price to the historical EV / LTM Sales of the Company based on the trailing 12-month sales over the LTM prior to the Last Undisturbed Trading Date.



Source: Market data from Capital IQ, LTM sales figures annualised based on Company filings.

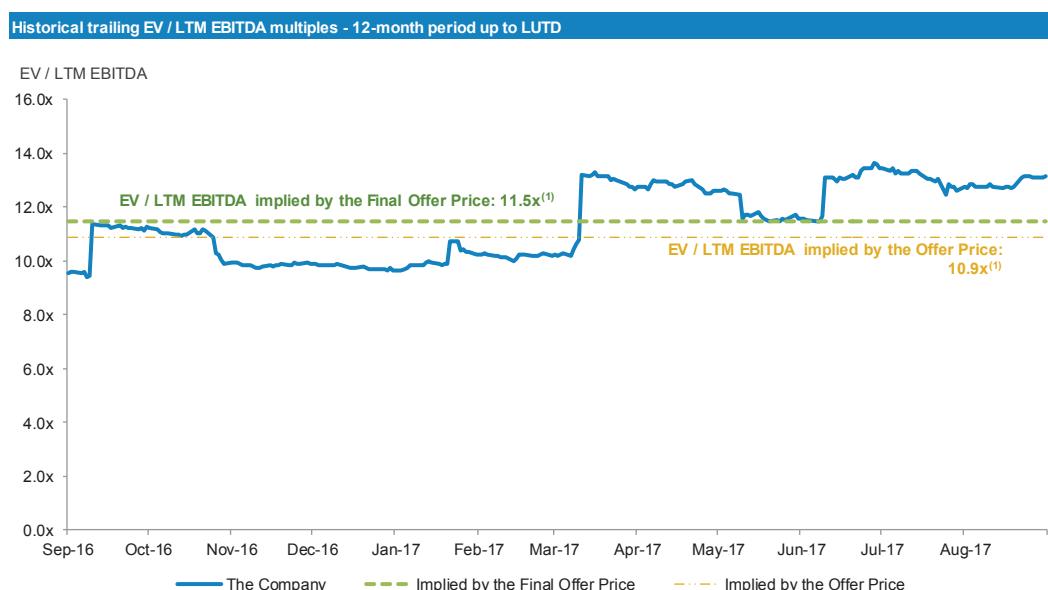
Note:

(1) EV / LTM Sales multiple implied by the Final Offer Price is based on the LTM sales of the Company as at 31 December 2017.

Trailing EV / LTM Sales for the 12-month period up to LUTD				
	Min	Mean	Median	Max
The Company	1.33x	1.45x	1.42x	1.60x

Based on the above, we note that the EV / LTM Sales multiple implied by the Final Offer Price of 1.58x is within the range of the historical EV / LTM Sales multiples (based on trailing 12-month revenue) of the Company of 1.33x to 1.60x and above the mean and median of 1.45x and 1.42x, respectively, over the 12-month period up to and including the Last Undisturbed Trading Date.

We also set out below a comparison of the EV / LTM EBITDA multiple implied by the Final Offer Price to those of the Company based on the trailing 12-month EBITDA over the LTM prior to the Last Undisturbed Trading Date.



Source: Market data from Capital IQ, EBITDA figures based on Company filings and includes share of results of associates and has been adjusted for one-off and extraordinary items including gain on disposal of subsidiaries and plant, property and equipment, trade receivables written off, realised and unrealised foreign exchange loss, impairment loss on plant, property and equipment and impairment loss on investment in associates, intangible assets and re-measurement of assets held for sale.

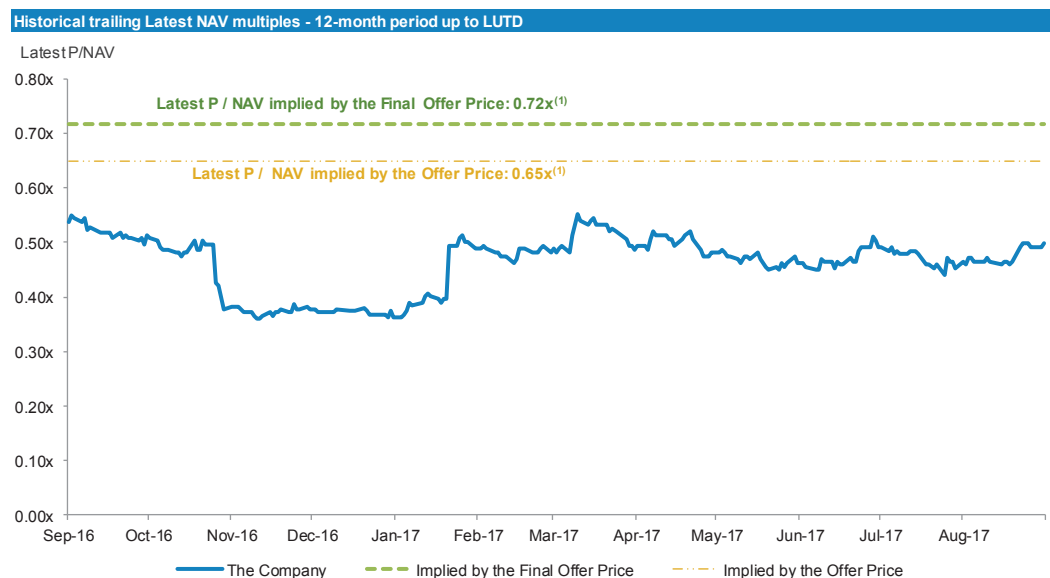
Notes:

(1) EV / LTM EBITDA multiple implied by the Final Offer Price based on the LTM EBITDA of the Company as at 31 December 2017.

Trailing EV / LTM EBITDA for the 12-month period up to LUTD				
	Min	Mean	Median	Max
The Company	9.4x	11.4x	11.3x	13.7x

Based on the above, we note that the EV / LTM EBITDA multiple implied by the Final Offer Price of 11.5x, calculated based on LTM EBITDA as at 31 December 2017, is within the range of the historical EV / LTM EBITDA multiples (based on trailing 12-month EBITDA) of the Company of 9.4x to 13.7x and above the mean and median of 11.4x and 11.3x, respectively, over the 12-month period up to and including the Last Undisturbed Trading Date.

We also set out below a comparison of the latest (“Latest”) P / NAV multiple implied by the Final Offer Price to those of the Company based on the trailing latest book net asset values over the LTM prior to the Last Undisturbed Trading Date.



Source: Market data from Capital IQ, NAV figures from Company filings.

Notes:

(1) P / NAV multiple implied by the Final Offer Price is based on the latest book net asset value of the Company as at 31 December 2017.

Trailing Latest P/NAV for the 12-month period up to LUTD				
	Min	Mean	Median	Max
The Company	0.36x	0.46x	0.48x	0.55x

Based on the above, we note that the Latest P / NAV multiple implied by the Final Offer Price of 0.72x is above the range of the historical Latest P / NAV multiples (based on trailing latest book net asset values) of the Company of 0.36x to 0.55x over the 12-month period up to and including the Last Undisturbed Trading Date.

We wish to highlight that the historical trading patterns or performance of the Shares and the Comparable Companies should not, in any way, be relied upon as an indication of its future trading patterns or performance, which will be governed by, *inter alia*, the performance and prospects of the Company, prevailing economic conditions, economic outlook and market conditions and sentiments.

8.10 Precedent transaction analysis

We reviewed precedent transactions completed between 1 January 2010 and the Latest Practicable Date, involving the acquisitions of companies involved in the crane rental and distribution sector in Asia Pacific. We have considered transactions with an enterprise value in excess of S\$100 million and excluded transactions where financial information to calculate the valuation ratios is not available in the public domain.

However, we were unable to identify any precedent transactions that we deemed to be comparable with the revised Offer taking into consideration a number of factors including, among others, composition of business activities, geographical spread, and timing of the respective precedent transactions with respect to the industry cycle. As an example, there was a precedent transaction in May 2012 involving Sin Heng as a target. Whilst we do

consider Sin Heng to be broadly comparable to the Company in some respects, we still felt that this 2012 transaction was not comparable as Sin Heng's P/NAV multiple in 2012 was significantly higher than Sin Heng's current P/NAV.

In addition, given the limited number of comparable transactions in the crane rental related segment completed in recent years, we also reviewed transactions involving companies in the general / heavy equipment rental and distribution business as part of the screening process. However, after due review and analysis, these have not been included in the precedent transactions list below due to various factors, including but not limited to the difference in nature of the business (for instance the crane rental business is typically more capital intensive and demands a longer payback period compared to the general / heavy equipment rental business); lack of recent relevant transactions; and limited geographical overlap between the target companies' and the Company's business.

8.11 Precedent takeovers premia analysis

We have reviewed selected completed takeovers and privatisation transactions in Singapore and control premiums paid between 1 January 2013 and the Latest Practicable Date which are disclosed below:

Note	Announcement Date	Target	Acquirer	Premium / (Discount) to VWAP Prior to Announcement*				
				Closing	1-month	3-month	6-month	12-month
(1)	3-Nov-17	Cogent Holdings	COSCO Shipping	5.2%	6.2%	12.7%	20.3%	30.6%
(2)	22-Sep-17	GP Batteries	GP Industries Limited	62.5%	62.9%	62.7%	61.1%	61.5%
(3)	20-Sep-17	Poh Tiong Choon	Respond Logistics Pte. Ltd.	1.6%	32.5%	43.2%	48.7%	58.1%
(4)	8-Sep-17	BRC Asia Limited	Toptip Holding	33.1%	30.3%	35.3%	42.0%	47.0%
(5)	29-May-17	Changtian Plastic & Chemical	United Tech Industries	45.3%	46.6%	48.2%	49.6%	62.9%
(6)	2-May-17	Nobel Design	Grand Slam RF18 Investments	8.5%	9.4%	15.9%	18.6%	22.6%
(7)	9-Apr-17	CWT Limited	HNA Belt and Road Investments	5.9%	6.4%	14.8%	27.3%	30.9%
(8)	23-Feb-17	Global Premium Hotels	JK Global Capital Pte. Ltd.	14.1%	18.1%	21.7%	23.3%	22.5%
(9)	7-Feb-17	Auric Pacific	Silver Creek Capital	13.4%	17.8%	23.8%	35.8%	59.6%
(10)	24-Nov-16	Advanced Integrated Manufacturing Corp	Voluntary Delisting	22.8%	20.7%	20.7%	17.3%	6.1%
(11)	8-Nov-16	ARA Asset Management	Athena Investment	26.2%	29.6%	30.3%	31.7%	43.9%
(12)	3-Nov-16	Super Group	Jacobs Douwe Egberts	62.5%	60.5%	62.5%	55.9%	51.0%
(13)	26-Oct-16	Innovalues Limited	Northstar Advisors	13.5%	19.0%	21.6%	27.8%	30.5%
(14)	24-Oct-16	China Auto Electronics	THB Auto Electronics	23.1%	56.9%	65.0%	65.0%	86.1%
(15)	20-Sep-16	Aztech Group	Voluntary Delisting	29.2%	38.3%	21.0%	10.5%	-13.2%
(16)	6-Sep-16	China Minzhong Food	Pure Gold Investment	25.0%	24.8%	23.1%	25.9%	35.4%
(17)	8-Aug-16	Sim Lian Group	Coronation 3G	14.9%	16.6%	19.5%	21.3%	23.0%
(18)	15-Jul-16	SMRT	Temasek	8.7%	10.8%	10.7%	8.7%	15.5%
(19)	8-Jun-16	Otto Marine	Voluntary Delisting	39.1%	44.8%	43.5%	42.9%	-13.5%
(20)	30-May-16	Neptune Orient Lines	CMA CGM	48.6%	51.0%	32.9%	30.7%	35.1%
(21)	16-May-16	Eu Yan Sang	Righteous Crane Holding	2.6%	8.5%	16.5%	24.7%	22.5%
(22)	9-May-16	China Merchants Holdings	Easton Overseas Ltd	22.9%	21.8%	25.3%	20.2%	8.0%
(23)	21-Apr-16	Pteris Global	Sharp Vision Holdings	32.4%	38.0%	44.1%	49.6%	45.3%
(24)	28-Mar-16	GMG	Halcyon Agri	13.6%	121.4%	95.1%	85.6%	10.3%
(25)	23-Mar-16	Select Group	International Culinary Management	23.5%	37.9%	43.4%	31.6%	27.0%

Note	Announcement Date	Target	Acquirer	Premium / (Discount) to VWAP Prior to Announcement*				
				Closing	1-month	3-month	6-month	12-month
(26)	7-Mar-16	Osim	Vision Three	27.0%	40.9%	42.5%	16.7%	(2.2%)
(27)	25-Feb-16	Xinren Aluminium	Merit Stand Inc	66.7%	63.9%	63.5%	57.9%	35.7%
(28)	27-Jan-16	LantroVision (S)	MIRAIT Singapore	47.7%	42.8%	46.2%	56.6%	42.1%
(29)	23-Dec-15	Interplex	Baring Private Equity Asia	15.5%	11.1%	13.1%	16.5%	11.4%
(30)	22-Dec-15	Li Heng Chemical Fibre	Precious Joy Management	115.1%	100.8%	104.5%	60.3%	58.7%
(31)	18-Nov-15	HTL International Holdings	Ideal Homes	46.0%	69.2%	98.4%	105.3%	113.2%
(32)	6-Nov-15	Tiger Airways	Singapore Airlines	45.2%	48.5%	56.3%	50.0%	46.1%
(33)	17-Aug-15	Lizhong Wheel Group	Berkley International	96.1%	87.3%	79.2%	92.3%	96.1%
(34)	23-Jan-15	Keppel Land	Keppel Corp	20.0%	25.0%	28.8%	28.2%	29.6%
(35)	14-Jan-15	Popular Holdings	Grand Apex Holdings	39.1%	39.7%	37.3%	32.2%	28.5%
(36)	12-Jan-15	LCD Global Investments	Aspial Corporation	10.0%	11.5%	13.4%	13.4%	41.0%
(37)	30-Dec-14	Hafary Holdings Ltd	Hap Seng Investment	9.1%	11.1%	11.1%	14.8%	16.5%
(38)	30-Dec-14	STATS ChipPAC	JCET-SC (Singapore)	39.0%	24.5%	27.6%	32.1%	30.2%
(39)	11-Dec-14	CH Offshore	Falcon Energy Group	6.5%	8.1%	5.4%	5.1%	7.9%
(40)	12-Nov-14	CITIC Envirotech	CITIC / KKR	12.6%	16.5%	20.2%	28.1%	38.8%
(41)	3-Oct-14	UE E&C	Southern Capital	(2.3%)	2.7%	5.0%	(2.9%)	6.9%
(42)	25-Sep-14	Lee Kim Tah Holdings	Lee family	6.4%	11.8%	12.3%	13.5%	15.0%
(43)	27-May-14	Goodpack	KKR	23.2%	30.8%	31.3%	34.3%	44.7%
(44)	16-May-14	CapitaMalls Asia Ltd	Capitaland Ltd	30.2%	34.4%	32.8%	27.6%	24.3%
(45)	14-Apr-14	Hotel Properties Ltd	Cuscaden / Wheelock	29.4%	33.8%	35.1%	32.2%	28.0%
(46)	14-Mar-14	Olam	Temasek-led Consortium	11.8%	24.3%	33.0%	39.9%	35.9%
(47)	23-Feb-14	Singapore Land Ltd	United Industrial Corp Ltd	11.2%	16.9%	13.9%	11.0%	7.9%
(48)	6-Jan-14	Superbowl Holdings	Hiap Hoe Strategic	15.4%	34.9%	41.2%	45.0%	52.0%
(49)	13-Nov-13	Asia Power Corporation	Asia New Energy Holding	50.9%	60.2%	63.6%	72.6%	75.4%
(50)	5-Nov-13	Kreuz Holdings	Headland Capital Partners	4.6%	7.4%	6.3%	11.1%	39.6%
(51)	19-Oct-13	People's Food	New Oceania (Management)	2.6%	4.2%	10.0%	-6.4%	-1.9%
(52)	2-Sep-13	China Minzhong Food	Indofood	10.3%	5.5%	6.9%	2.2%	18.5%
(53)	5-Jul-13	Armstrong Industrial Corp	AGP Asia Holding	11.1%	14.0%	17.0%	21.1%	28.5%
(54)	5-Jul-13	Viz Brand	Ben Chng Beng Beng (CEO)	15.0%	17.9%	17.4%	17.4%	14.8%
(55)	21-Jun-13	Guthrie GTS	United SM Holdings	21.4%	21.9%	19.7%	20.2%	25.9%
(56)	21-Jun-13	Pan Pacific Hotel Group	UOL Group Ltd	9.0%	8.2%	6.1%	8.1%	17.9%
(57)	30-Jan-13	WBL	United Engineers	18.9%	17.7%	15.8%	18.9%	26.5%

		High	115.1%	121.4%	104.5%	105.3%	113.2%
		Mean	25.7%	31.2%	32.8%	32.5%	32.7%
		Median	20.0%	24.5%	25.3%	27.8%	29.6%
		Low	(2.3%)	2.7%	5.0%	(6.4%)	(13.5%)
(58)	Final Offer Price		42.9%	47.5%	49.1%	40.3%	44.0%

Source: Capital IQ, Bloomberg and relevant offer documents.

* Premium / (discount) calculated based on the last traded price prior to the relevant takeover announcement, or other reference date as described in the notes below.

Notes:

- (1) Date reference in calculating the premia is 2 November 2017, being the last full trading day of Cogent Holdings on SGX-ST prior to the making of the announcement of the voluntary conditional cash offer for all the issued ordinary shares in the capital of Cogent Holdings. The market premia is calculated based on the offer price of S\$1.02 per share.
- (2) Date reference in calculating the premia is 10 August 2017, being the pre-conditional offer announcement date by GP Batteries. The market premia is calculated based on the offer price of S\$1.30 per share.
- (3) Date reference in calculating the premia is 19 September 2016, being the last undisturbed trading day and last full trading day prior to the announcement on 23 September 2016 regarding a strategic review by Poh Tiong Choon. The market premia is calculated based on the offer price of S\$1.30 per share.
- (4) Date reference in calculating the premia is 30 May 2017, being the last full trading day of BRC Asia on SGX-ST prior to the Holding Announcement Date. The market premia is calculated based on the offer price of S\$0.925 per share.
- (5) Date reference in calculating the premia is 29 May 2017, being the offer announcement date by Changtian Plastic & Chemical. The market premia is calculated based on the offer price of S\$1.30 per share.
- (6) Date reference in calculating the premia is 2 May 2017, being the offer announcement date by Nobel Design. The market premia is calculated based on the offer price of S\$0.51 per share.
- (7) Date reference in calculating the premia is 3 August 2015, being the unaffected date and the last traded date prior to the announcement regarding a strategic review. The market premia is calculated based on the offer price of S\$2.33 per share.
- (8) Date reference in calculating the premia is 20 February 2017, being the last trading date prior to the offer announcement by Global Premium Hotels. The market premia is calculated based on the offer price of S\$0.365 per share.
- (9) Date reference in calculating the premia is 3 February 2017, being the last trading day of the shares of Auric Pacific on the SGX-ST preceding the announcement by Silver Creek Capital in making a voluntary conditional cash offer for all the issued ordinary shares in the capital of Auric Pacific Group Limited. The market premia is calculated based on the offer price of S\$1.65 per share.
- (10) Date reference in calculating the premia is 24 November 2016, being the joint announcement date by Advanced Integrated Manufacturing Corp. The market premia is calculated based on the offer price of S\$0.21 per share.
- (11) Date reference in calculating the premia is 2 November 2016, being the last full trading day of the ARA Asset Management Ltd shares prior to the date on which trading in the shares was halted following a query regarding trading activity received on 3 November 2016 from the SGX-ST. The market premia is calculated based on the Scheme Consideration of S\$1.78 per share.
- (12) Date reference in calculating the premia is 4 October 2016, being the last full day of trading of Super Group Ltd shares prior to the date on which a query regarding trading activity was received on 5 October from the SGX-ST. The market premia is calculated based on the offer price of S\$1.30 per share.
- (13) Date reference in calculating the premia is 6 April 2016, being the last full trading day to the date on which Innovalues Ltd released the announcement in respect of a possible acquisition of Innovalues Ltd by way of a scheme of arrangement. The market premia is calculated based on the offer price of S\$1.01 per share.
- (14) Date reference in calculating the premia is 18 October 2016, being the last trading day of the shares of China Auto Electronics Group Limited on the SGX-ST preceding the announcement by THB Auto Electronics Limited in making a mandatory unconditional cash offer for all the issued ordinary shares in the capital of China Auto Electronics Group Limited. The market premia is calculated based on the offer price of S\$0.16 per share.
- (15) Date reference in calculating the premia is 16 September 2016, being the last full trading day of Aztech Group share on the SGX-ST. The market premia is calculated based on the offer price of S\$0.42 per share.
- (16) Date reference in calculating the premia is 30 August 2016, being the last trading day prior to the pre-Conditional offer by Pure Gold Investment Holdings in respect of the voluntary conditional offer to acquire all the issued and paid-up ordinary shares in the capital of China Minzhong Food Corporation Limited. The market premia is calculated based on the offer price of S\$1.20 per share.
- (17) Date reference in calculating the premia is 4 August 2016, being the last full market day immediately prior to the date of the announcement of the offer from Coronation 3G Pte Ltd in respect of the voluntary conditional cash offer for all the issued and paid-up ordinary shares in the capital of Sim Lian Group Limited. The market premia is calculated based on the offer price of S\$1.08 per share.
- (18) Date reference in calculating the premia is 15 July 2016, being the last trading day of the shares of SMRT Corporation Limited on the SGX-ST preceding the holding announcement. Belford Investments Private Limited subsequently announced a proposed acquisition of SMRT Corporation Limited by way of a Scheme. The market premia is calculated based on the Scheme Consideration of S\$1.68 per share.
- (19) Date reference in calculating the premia is 1 June 2016, being the last market day of Otto Marine. The market premia is calculated based in the offer price of S\$0.32 per share.
- (20) Date reference in calculating the premia is 16 July 2015, being the last full day of trading in the Neptune Oriental Lines Ltd ("NOL") shares on the SGX-ST immediately preceding the announcement by NOL on 19 July 2015 in relation to media reports regarding a potential sale of the company. On 7 December 2015, the offeror announced, for and on behalf of CMA CGM, that subject to the satisfaction or waiver of the pre-conditions, CMA CGM intends to make an offer for NOL. On 30 May 2016, the offeror announced, for and on behalf of CMA CGM, that all the pre-conditions had been satisfied or waived and accordingly, announced the offeror's firm intention to make the offer for all the shares at the offer price of S\$1.30 per share.
- (21) Date reference in calculating the premia is 9 May 2016, being the last full market day immediately prior to the date of offer announcement by Eu Yan Sang International Ltd in respect of the voluntary conditional cash offer by Righteous Crane Holding Pte Ltd to acquire all the issued and paid-up ordinary shares in the capital of Eu Yan Sang International Ltd. The market premia is calculated based on the offer price of S\$0.60 per share.
- (22) Date reference in calculating the premia is 5 May 2016, being the last trading day of the shares of China Merchant Holdings (Pacific) Limited on the SGX-ST preceding the announcement by Easton Overseas Limited in making a voluntary conditional cash offer for all the issued ordinary shares in the capital of China Merchant Holdings (Pacific) Limited. The market premia is calculated based on the offer price of S\$1.02 per share.

- (23) Date reference in calculating the premia is 20 April 2016, being the last trading day of the shares of Pteris Global Limited on the SGX-ST preceding the announcement by Sharp Vision Holdings Limited in making a voluntary unconditional cash offer for all the issued ordinary shares in the capital of Pteris Global Limited. The market premia is calculated based on the revised offer price of S\$0.85 per share.
- (24) Date reference in calculating the premia is 23 March 2016, being the last trading day of the shares of GMG Global Limited on the SGX-ST preceding the announcement by Halcyon Agri Corporation Limited in making a voluntary conditional general offer for all the issued ordinary shares in the capital of GMG Global Limited. The market premia is calculated based on the implied offer price of S\$0.695 per share, based on exchange ratio of 0.9333 Halcyon Agri Corporation Limited shares for each GMG Global Limited share.
- (25) Date reference in calculating the premia is 18 March 2016, being the last market day on which Select Group shares were transacted prior to the offer announcement. The market premia is calculated based on the offer price of S\$0.525 per share.
- (26) Date reference in calculating the premia is 29 February 2016, being the last trading day of the shares of OSIM International Limited on the SGX-ST preceding the SGX-ST query regarding trading activity to the company. Vision Three Private Limited subsequently announced a voluntary unconditional cash offer for all the issued ordinary shares in the capital of OSIM International Limited. The market premia is calculated based on the revised offer price of S\$1.39 per share.
- (27) Date reference in calculating the premia is 22 February 2016, being the last trading day of the shares of Xinren Aluminium Holdings Limited on the SGX-ST preceding the significant increase in share price and volume. Subsequently, Merit Stand Inc announced a voluntary unconditional cash offer for all the issued ordinary shares in the capital of Xinren Aluminium Holdings Limited. The market premia is calculated based on the offer price of S\$0.60 per share.
- (28) Date reference in calculating the premia is 26 January 2016, being the last full trading day of LanTroVision (S) Ltd on the SGX-ST prior to the date of the joint announcement by LanTroVision (S) Ltd and Mirat Singapore Pte Ltd of the proposed acquisition of LanTroVision (S) Ltd by Mirat Singapore Pte Ltd by way of a scheme of arrangement. The market premia is calculated based on the offer price of S\$3.25 per share.
- (29) Date reference in calculating the premia is 22 December 2015, being the last full day of trading of Interplex Holdings Ltd shares on the SGX-ST prior to the announcement date of the pre-conditional offer by Baring Private Equity Asia. The market premia is calculated based on the offer price of S\$0.82 per share.
- (30) Date reference in calculating the premia is 21 December 2015, being the last trading day of the shares of Li Heng Chemical Fibre Technologies Limited on the SGX-ST preceding the announcement by Precious Joy Management Limited in making a voluntary unconditional general offer for all the issued ordinary shares in the capital of Li Heng Chemical Fibre Technologies Limited. The market premia is calculated based on the offer price of S\$1.00 per share.
- (31) Date reference in calculating the premia is 28 December 2015, being the last market day preceding the announcement date of a possible offer by Ideal Homes International for all shares of HTL International Holdings by way of a scheme of arrangement. The market premia is calculated based on the offer price of S\$1.00 per share.
- (32) Date reference in calculating the premia is 5 November 2015, being the last trading day of the shares of Tiger Airways Holdings Limited on the SGX-ST preceding the announcement by Singapore Airlines Limited in making a voluntary conditional general offer for all the issued ordinary shares in the capital of Tiger Airways Holdings Limited. The market premia is calculated based on the revised offer price of S\$0.45 per share.
- (33) Date reference in calculating the premia is 6 August 2015, being the last trading day of the shares of Lizhong Wheel Group Limited on the SGX-ST preceding the announcement by Berkley International Limited in making a voluntary conditional cash offer for all the issued and paid-up ordinary shares in the capital of Lizhong Wheel Limited. The market premia is calculated based on the offer price of S\$0.50 per share.
- (34) Date reference in calculating the premia is 20 January 2015, being the last trading day of the shares of Keppel Land Limited on the SGX-ST preceding the announcement by Keppel Corporation Limited in making a voluntary unconditional cash offer for all the issued ordinary shares in the capital of Keppel Land Limited. The market premia is calculated based on the offer price of S\$4.38 per share.
- (35) Time reference in calculating the premia is 13 January 2015, being the last trading day of the shares of Popular Holdings Limited on the SGX-ST preceding the announcement by Grand Apex Holdings Private Limited in making a voluntary conditional cash offer for all the issued ordinary shares in the capital of Popular Holdings Limited. The market premia is calculated based on the offer price of S\$0.32 per share.
- (36) Date reference in calculating the premia is 9 January 2015, being the last trading day of LCD Global Investments shares prior to the release of the announcement by AF Global Pte Ltd of a voluntary conditional cash offer for all the issued and paid-up ordinary shares (other than treasury shares) in the capital of LCD Global Investments Ltd. The market premia is calculated based on the offer price of S\$0.33 per share.
- (37) Date reference in calculating the premia is 30 December 2014, the date on which an announcement that Hap Seng Consolidated Berhad intended to make a voluntary conditional cash partial offer for 51% of the ordinary shares in the capital of Hafary Holdings Limited. The market premia is calculated based on the offer price of S\$0.24 per share.
- (38) Date reference in calculating the premia is 14 May 2014, being the date prior to the first SGX-ST preceding the announcement by JCET-SC (Singapore) Pte Ltd in making a voluntary conditional general offer for all the issued and paid-up ordinary shares in the capital of STATS ChipPAC. The market premia is calculated based on the offer price of S\$0.465 per share.
- (39) Date reference in calculating the premia is 10 December 2014, being the last trading day of the shares of CH Offshore Ltd on the SGX-ST preceding the announcement by Energian Pte Ltd (a wholly owned subsidiary of Falcon Energy Group Limited) of a voluntary conditional cash offer for all the issued and paid-up ordinary shares in the capital of CH Offshore Ltd. The market premia is calculated based on the revised offer price of S\$0.55 per share.
- (40) Date reference in calculating the premia is 2 July 2014, being the last trading session prior to the date when CITIC Envirotech Ltd announced a holding announcement stating that it had been approached by parties to explore a potential acquisition of shares in the company. The market premia is calculated based on the offer price of S\$1.65 per share.
- (41) Date reference in calculating the premia is 30 September 2014, being the last trading day before the announcement of a possible offer by Universal EC Investments Pte Ltd in making a voluntary unconditional cash offer for all the issued and paid-up ordinary shares in the capital of UE E&C Ltd. The market premia is calculated based on the offer price of S\$1.25 per share.
- (42) Date reference in calculating the premia is 24 September 2014, being the last trading day of the shares of Lee Kim Tah Holdings Limited on the SGX-ST preceding the announcement by Lee Kim Tah Investments Pte Ltd in making a voluntary conditional

cash offer for all the issued shares in the capital of Lee Kim Tah Holdings Limited. The market premia is calculated based on the offer price of S\$1.08 per share.

- (43) Date reference in calculating the premia is 18 March 2014, being the date prior to the day on which Goodpack Limited first released a holding announcement in respect of a possible transaction. IBC Capital Limited subsequently announced a proposed acquisition of Goodpack Limited by way of a scheme of arrangement. The market premia is calculated based on the scheme consideration of S\$2.50 per share.
- (44) Date reference in calculating the premia is 11 April 2014, being the last trading day of the shares of CapitaMalls Asia Limited on the SGX-ST preceding the announcement by sound Investment Holdings Pte Ltd in making a voluntary conditional cash offer for all the issued shares in the capital of CapitaMalls Asia Limited. The market premia is calculated based on the revised offer price of S\$2.35 per share and the respective VWAP reference prices unadjusted for the FY2013 Final Dividend.
- (45) Date reference in calculating the premia is 11 April 2014, being the last trading day of the shares of Hotel Properties Limited on the SGX-ST preceding the announcement by 68 Holdings Pte Ltd in making a mandatory conditional cash offer for all the issued ordinary shares in the capital of Hotel Properties Limited. The market premia is calculated based on the second revised offer price of S\$4.05 per share.
- (46) Date reference in calculating the premia is 12 March 2014, being the last trading day of the shares of Olam International Limited on the SGX-ST preceding the announcement by Breedens Investments Pte Ltd in making a voluntary conditional cash offer for all the issued shares in the capital of Olam International Limited. The market premia is calculated based on the offer price of S\$2.23 per share.
- (47) Date reference in calculating the premia is 19 February 2014, being the last trading day of the shares of Singapore Land Limited on the SGX-ST preceding the announcement by UIC Enterprise Pte Ltd in making a voluntary unconditional cash Offer for all the issued and paid-up ordinary shares in the capital of Singapore Land Limited. The market premia is calculated based on the offer price of S\$9.40 per share.
- (48) Date reference in calculating the premia is 1 October 2013, being the last trading day of SuperBowl Holding shares on the SGX-ST immediately prior to the pre-conditional offer announcement by Hiap Hoe Strategic Pte Ltd to acquire all the issued and paid-up ordinary shares in the capital of SuperBowl Holding. The market premia is calculated based on the offer price of S\$0.75 per share.
- (49) Date reference in calculating the premia is 13 November 2013, being the last full market day prior to the announcement by Asia New Energy Holding Limited of the voluntary conditional cash offer for all the issued and paid-up ordinary shares in the capital of Asia Power Corporation. The market premia is calculated based on the offer price of S\$0.16 per share.
- (50) Date reference in calculating the premia is 5 November 2013, being the last trading day prior to the joint offer announcement by Kruez Holdings Limited and SEA9 Pte Ltd in relation to a proposed acquisition by way of a scheme of arrangement. The market premia is calculated based on the offer price of S\$0.80 per share.
- (51) Date reference in calculating the premia is 17 October 2013, being the last trading day of the shares of People's Food Holdings Ltd on the SGX-ST preceding the announcement by New Oceana Ltd in making a voluntary conditional offer for all the issued and paid-up ordinary shares in the capital of People's Food Holdings Ltd. The market premia is calculated based on the offer price of S\$1.20 per share.
- (52) Date reference in calculating the premia is 23 August 2013, being the last trading day of the shares of China Minzhong Food Corporation Ltd on the SGX-ST preceding the announcement by PT Indofood Sukses Makmur Tbk in making a mandatory unconditional cash offer for all the issued and paid-up ordinary shares in the capital of China Minzhong Food Corporation Ltd. The market premia is calculated based on the offer price of S\$1.12 per share.
- (53) Date reference in calculating the premia is 2 July 2013, being the last market day prior to the joint announcement by Armstrong Industrial Corporation Limited and AGP Asia Holding Pte Ltd of a voluntary delisting proposal to seek the voluntary delisting of Armstrong Industrial Corporation Limited from the offer list of the SGX-ST. The market premia is calculated based on the offer price of S\$0.40 per share.
- (54) Date reference in calculating the premia is 4 July 2013, being the last market day on which the shares of Viz Brand Ltd were traded on the SGX-ST prior to the announcement by Pluto Rising Pte Ltd of a mandatory unconditional cash offer for all the issued and paid-up ordinary shares in the capital of Viz Brand Ltd. The market premia is calculated based on the revised offer price of S\$0.815 per share.
- (55) Date reference in calculating the premia is 19 June 2013, being the last market day on which the shares of Guthrie GST Ltd were traded on the SGX-ST prior to the announcement by United SM Holdings of a voluntary unconditional cash offer for all the issued and paid-up ordinary shares in the capital of Guthrie GST Ltd. The market premia is calculated based on the offer price of S\$0.88 per share.
- (56) Time reference in calculating the premia is 9 May 2013, being the last trading Pacific Hotels Group Ltd on the SGX-ST preceding the announcement of a proposed market premia is calculated based on the exit offer price of S\$2.55 per share.
- (57) Date reference in calculating the premia is 26 November 2012, being the last trading day of the shares of WBL Corporation Ltd on the SGX-ST preceding the announcement by UE Centennial Venture in making a mandatory conditional cash offer for all the issued ordinary stock units in the capital of WBL Corporation Ltd and all the outstanding convertible bonds issued by WBL Corporation Ltd. The market premia is calculated based on the offer price of S\$4.15 per share.
- (58) The respective VWAPs are computed with reference to the relevant periods up to and including the 20 September 2017, being the Last Undisturbed Trading Date.

Based on the above, we note that:

- (i) The premia implied by the Final Offer Price over Last Undisturbed Trading Date, 1-month, 3-month, 6-month and 12-month VWAPs are within the range of the takeover premia paid in the Precedent Takeovers; and
- (ii) The premia implied by the Final Offer Price over the Last Undisturbed Trading Date, 1-month, 3-month, 6-month and 12-month VWAPs are above the mean and median of the takeover premia paid in the Precedent Takeovers.

8.12 Other relevant considerations which have a significant bearing on our assessment

8.12.1 No further revision of the Final Offer Price

We note that as disclosed in the Offer Revision Announcement, the Offeror does not intend to revise the Final Offer Price. Therefore, in accordance with Rule 20.2 of the Code, the Offeror will not be allowed to subsequently amend the terms of the Offer, including the Final Offer Price, in any way, except, inter alia, where the right to do so has been specifically reserved.

8.12.2 Company strategic review process / No alternative offer from third party

Per the Company's announcements on 15 March 2016 and 21 September 2017, following receipt of approaches in connection with a potential transaction in relation to the Shares, the Company had appointed Rippledots as its financial adviser to assist in its review of strategic alternatives in connection with such approaches.

The Company has confirmed to us that no other firm offer was received as a result of the above mentioned review of strategic alternatives.

As at the Latest Practicable Date, other than the Offer, there is no publicly available evidence of an alternative take-over offer for the Shares from any third party. In addition, the Directors have confirmed that as at the Latest Practicable Date, apart from the Offer, they have not received any other competing offer from any other party.

8.12.3 Limitation on subsequent offers by the Offeror

Pursuant to Rule 33.2 of the Code, the Offeror may not (except with the consent of the SIC), within 6 months of the Closing Date, make a second offer to or acquire any Shares from any Shareholder on terms better than those made available under the revised Offer.

Shareholders should also note that, under the Code, except with the consent of the SIC, in the case the Offer has been announced or posted but has not become or been declared unconditional in all respects and has been withdrawn or has lapsed, neither the Offeror, any persons who acted in concert with it in the course of the Offer nor any person who is subsequently acting in concert with any of them may within twelve (12) months from the date on which the Offer is withdrawn or lapses:

- (a) announce an offer or possible offer for the Company, or

- (b) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 14 of the Code to make an offer.

8.12.4 Regulatory pre-conditions of the Offer have been satisfied

As highlighted in the Offer Announcement, the Offeror has received confirmation that the relevant regulatory pre-conditions (the FIRB Approval Condition, the ACCC Clearance Condition and the MOFCOM Clearance Condition, as outlined in the Pre-Conditional Offer Announcement) have been satisfied. As a result of the above, there is a greater degree of deal certainty for the Offer, due to the limited further conditionality of the Offer (the Acceptance Condition).

8.12.5 Irrevocable undertakings

Section 3 of the Circular sets out certain information relating to the irrevocable undertakings of the Ng Family Undertaking Shareholders and AIF (“**Undertaking Shareholders**”). Shareholders are advised to read such section of the Circular carefully.

As at the Latest Practicable Date, the Offeror has received irrevocable undertakings from the Ng Family Undertaking Shareholders and AIF to accept the Offer in respect of an aggregate of 503,278,416 Shares, representing approximately 66.82% of the total number of issued Shares.

8.12.6 Compulsory acquisition and listing status of the Company

The Offer Document sets out the intentions of the Offeror relating to the listing status of the Company and compulsory acquisition, the full text of which has been extracted from the Offer Document and are set out in italics below. Unless otherwise defined, all terms and expressions used in the extracts from the Offer Document shall have the same meanings as those defined in the Offer Document.

“11. LISTING STATUS AND COMPULSORY ACQUISITION

11.1 Listing Status

(a) Suspension of Trading

Under Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that brings the holdings owned by the Offeror and the parties acting in concert with it to above 90% of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the listing of the Shares on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend the trading of the Shares only at the close of the Offer.

(b) **Free Float**

Shareholders are advised to note that Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares (excluding treasury shares) is at all times held by the public. In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must as soon as practicable, announce the fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual further states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted.

*In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724(1), Rule 1105 or Rule 1303(1) of the Listing Manual, **the Offeror does not intend to undertake or support any action for any such trading suspension by the SGX-ST to be lifted. It is the intention of the Offeror to privatise the Company and to delist the Company from the SGX-ST, should the option be available to the Offeror.***

“11.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Offer of not less than 90% of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding treasury shares), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares from the Dissenting Shareholders on the same terms as those offered under the Offer.”

*“In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the Shares, the Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Offer Price. **Such Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.**”*

Shareholders should note that as at the Latest Practicable Date, there is no assurance that, (a) the Offeror would be in a position to exercise their rights to compulsory acquisition under Section 215(1) of the Companies Act, (b) the Dissenting Shareholders (as defined in the Offer Document) would be in a position to require the Offeror to acquire their Shares under Section 215(3) of the Companies Act, or (c) there would remain a sufficient public float in the Shares to maintain the listing status of the Shares.

8.12.7 Control of the Company

The Assigning Ng Family Undertaking Shareholders (the “**Existing Major Shareholders**”), who currently control approximately 59.742% of the total number of issued Shares, are proposed to be allotted TH60 Shares pursuant to the Roll-Up Arrangement and would hold approximately 68.2% of the Offeror, regardless of whether any additional shares will be acquired as a result of the Offer. The Existing Major Shareholders have been and will continue to be able to determine, amongst other things, the financial and operating policies, management and strategy of the Company. In this regard, there is no assurance with respect to dividend payments by the Company going forward, regardless of whether the Company will remain listed or be delisted. With this level of control, the Existing Major Shareholders also have the right to pass all ordinary resolutions of the Company on matters in which the Offeror and/or its associates do not have an interest, at general meetings of Shareholders.

8.12.8 SIC Confirmation - No special deal

As disclosed in Section 3 of the Circular, SIC confirmed that the arrangements set out in Sections 5.1 and 8.1 of the Offer Document, parts of which were extracted and referenced in Sections 3.1, 6.1 and 6.2 of the Circular, do not constitute special deals for the purposes of the Code.

8.12.9 Potential Funding Requirements of the Company

The Company operates in a relatively capital intensive industry that relies on the availability of sizeable amounts of debt. As at 31 December 2017, the Company had approximately S\$415.1 million of total indebtedness, S\$246.9 million of which is due to be refinanced or rolled over within the next twelve months from 31 December 2017. The Company may be required to meet its funding needs via new equity fund raisings or debt financing on terms which may restrict it in certain ways, including limiting its ability to pay future dividends or requiring it to procure consents before it can pay dividends to Shareholders.

9. SUMMARY OF KEY FINANCIAL ANALYSES

We set out below a summary of the key financial analyses performed:

Summary of key metrics in financial analysis					Implied by the Final Offer Price			
	Min	Mean	Median	Max	Company	Min – max range	Mean – median range	Details see sub-section
Historical trading range of the Shares (12-month period up to LUTD) (\$\$)								
Closing price (\$\$)	0.328	0.382	0.370	0.498	0.550	Above	Above	
Broker price targets for the Shares (\$\$)								8.7
6-month period up to the LUTD					0.550	Above	Above	
Trading Comparable Companies Analysis (x)								8.8
EV / Sales	0.82x	1.37x	1.56x	1.77x	1.58x	Within	Above	
EV / LTM EBITDA	5.0x	7.2x	7.8x	8.8x	11.5x	Above	Above	
P / NAV	0.28x	0.47x	0.47x	0.65x	0.72x	Above	Above	
Trailing multiples analysis of the Company (12-month period up to LUTD) (x)								8.9
EV / LTM Sales	1.33x	1.45x	1.42x	1.60x	1.58x	Within	Above	
EV / LTM EBITDA	9.4x	11.4x	11.3x	13.7x	11.5x	Within	Above	
Latest P / NAV	0.36x	0.46x	0.48x	0.55x	0.72x	Above	Above	
VWAP premia up to LUTD vs. Precedent Take-overs premia (%)								8.11
Premium to Closing 1-day	(2.3%)	25.7%	20.0%	115.1%	42.9%	Within	Above	
Premium to 1-month VWAP	2.7%	31.2%	24.5%	121.4%	47.5%	Within	Above	
Premium to 3-month VWAP	5.0%	32.8%	25.3%	104.5%	49.1%	Within	Above	
Premium to 6-month VWAP	(6.4%)	32.5%	27.8%	105.3%	40.3%	Within	Above	
Premium to 12-month VWAP	(13.5%)	32.7%	29.6%	113.2%	44.0%	Within	Above	

10. RECOMMENDATION

In arriving at our opinion and advice in respect of the revised Offer, we have taken into account and reviewed the following key considerations, which we consider to be pertinent in our assessment of the revised Offer:

- (i) Historical financial performance and condition of the Group;
- (ii) The Company's reported commentary on significant trends and competitive conditions of the industry;
- (iii) Historical industry trends and selected financial ratios;
- (iv) Industry relative share price performance;
- (v) Liquidity analysis of the Shares;
- (vi) Historical market price performance and trading activity of the Shares;
- (vii) Broker target prices of the Shares;
- (viii) Valuation multiples of the Comparable Companies;
- (ix) Trailing valuation multiples of the Company;
- (x) Premium / discount implied by Precedent Take-overs; and
- (xi) Other relevant considerations.

Based upon, and having considered, *inter alia*, the factors described above and the information that has been made available to us, along with the industry, market, economic and other relevant considerations as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the revised Offer are fair and reasonable and not prejudicial to the interests of the Shareholders from a financial point of view. Accordingly, we would advise the Independent Directors to recommend that, in the absence of a superior offer, Shareholders should ACCEPT the Offer, unless Shareholders can obtain a price higher than the Final Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.

Our opinion and advice is addressed to the Independent Directors for their benefit and for the purposes of their consideration of the revised Offer. The recommendation to be made by them to the Shareholders in respect of the revised Offer shall remain the responsibility of the Independent Directors. Whilst a copy of this Supplemental IFA Letter may be reproduced in the Supplemental Letter, no other person may reproduce, disseminate or quote this Supplemental IFA Letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of ANZ in each specific case, except for the purpose of the Offer.

Yours faithfully

For and on behalf of

Australia and New Zealand Banking Group Limited, Singapore Branch



Ben Gledhill

Head of Corporate Advisory, Asia

This page has been intentionally left blank.

This page has been intentionally left blank.

