

WILTON RESOURCES CORPORATION LIMITED
(Company Registration No. 200300950D)
(Incorporated in the Republic of Singapore)

PROPOSED ISSUANCE OF CONVERTIBLE NOTES AND NON-LISTED WARRANTS

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of Wilton Resources Corporation Limited (the “**Company**”, together with its subsidiaries, referred to as the “**Group**”) wishes to announce that the Company had, on 30 March 2021, entered into a subscription agreement (“**Subscription Agreement**”) with European High Growth Opportunities Securitization Fund (the “**Subscriber**”), pursuant to which the Subscriber has committed to provide funds to the Company of up to S\$4,500,000 (the “**Commitment**”) by subscribing for convertible notes with share subscription warrants attached, and the Company has agreed to issue (the “**Proposed Issue**”) to the Subscriber:
- (a) up to S\$4,500,000 in aggregate principal amount of unsecured convertible notes (“**Notes**”), convertible in whole or in part into fully-paid ordinary shares in the capital of the Company (“**Shares**”) at the Effective Conversion Price (as defined in section 3.1 of this announcement) (“**Conversion Shares**”), subject to adjustments in accordance with the terms of the Subscription Agreement; and
 - (b) unlisted warrants (“**Warrants**”), which shall be attached to the Notes subscribed for by the Subscriber, entitling the holder of such Warrants to subscribe for such numbers of new Shares in the capital of the Company (“**Warrant Shares**”) as may be determined in accordance with the terms of the Subscription Agreement.
- 1.2 In connection with the Proposed Issue and solely to facilitate the process for the delivery of the Conversion Shares upon the conversion of the Notes, the Company had, on 30 March 2021, entered into a share lending deed (the “**Share Lending Deed**”, and together with the Subscription Agreement, the “**Agreements**”) with Wijaya Lawrence (the “**Lender**”), pursuant to which the Company has agreed to borrow from the Lender, and the Lender has agreed to lend to the Company, up to an aggregate of 30,000,000 Shares (“**Lent Shares**”), to be used solely for the purpose of delivering the Conversion Shares as promptly as possible to the Subscriber, upon the conversion of the Notes by the Subscriber. The Lender is the Executive Chairman and President of the Company, and the controlling shareholder of the Company. The Lender will not receive any financial benefit (direct or indirect) from the Share Lending Arrangement. Please refer to section 3.5 of this announcement for details of the Share Lending Arrangement.
- 1.3 The Company will be making an additional listing application (through its sponsor) to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the maximum number of new Shares of 404,666,667 (comprising the maximum number of Conversion Shares of 314,666,667 and maximum number of Warrant Shares of 90,000,000), which can be issued by the Company under the terms of the Subscription Agreement) (the “**New Shares**”) on the Catalist of the SGX-ST. The Company will make the necessary announcement when the listing and quotation notice has been granted by the SGX-ST (“**SGX-ST Approval**”).
- 1.4 The Notes and the Warrants, including the allotment and issuance of the Conversion Shares and the Warrant Shares, will not be issued (i) to transfer a controlling interest in the Company, or (ii) to any of the persons set out under Rule 812 of the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

- 1.5 The Notes and the Warrants, including the allotment and issuance of any Conversion Shares and the Warrant Shares, will be made pursuant to the exemptions under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore (“**SFA**”) and in compliance with all the conditions of the exemptions in the SFA therein. As such, no prospectus or offer document or other information statement will be issued by the Company and lodged with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore in connection with the Proposed Issue.
- 1.6 No placement agent has been appointed in respect of the Proposed Issue.

2. INFORMATION ON THE SUBSCRIBER

- 2.1 The Subscriber is represented by its management company, European High Growth Opportunities Manco SA (“**EHGO**”). EHGO is a Luxembourg securitization fund that specializes in private investments in public equity via structured innovative cross-asset financing solutions. The Company had in recent results announcements disclosed that it is exploring options to secure funding arrangement for working capital and capital expenditure financial requirements for the Group. The Subscriber had approached the Company and expressed interest to invest in the Company via the Proposed Issue.
- 2.2 As at the date hereof, the Subscriber has confirmed to the Company that the Subscriber (including its management company, EHGO and its ultimate beneficial owners) is not related to any of the Directors, substantial shareholders of the Company or their respective associates and there is no connection (including any business relationships) between the Directors or substantial shareholders of the Company and the Subscriber (including its management company, EHGO and its ultimate beneficial owners) and its directors and substantial shareholders. The Subscriber is subscribing for the Notes (with attached Warrants) for investment purposes.
- 2.3 As at the date of this announcement, the Subscriber (including its management company, EHGO and its ultimate beneficial owners) does not have any shareholding interests in the Company. Please refer to sections 3 and 6 of this announcement for more information on the shareholding interests of the Subscriber in the Company, upon allotment and issue of the Conversion Shares and the Warrant Shares. The allotment and issuance of the Conversion Shares and the Warrant Shares will not result in a transfer of controlling interest in the Company.
- 2.4 No placement agent has been appointed in respect of the Proposed Issue, and no introducer fee or commission is paid or payable by the Company in connection with the Proposed Issue.

3. PRINCIPAL TERMS OF THE PROPOSED ISSUE

3.1 Definitions

For the purposes of this announcement, the following terms shall have the following definitions ascribed to them:

- (a) “**Business Day**” means any day during which banks in Singapore are usually open for business;
- (b) “**Closing VWAP**” means, as of any Pricing Period and Conversion Date (as defined under section 3.2), the daily VWAP of a Share on the SGX-ST on which the Shares are traded from time to time;
- (c) “**Conversion Price**” means 98% of the lowest Closing VWAP during the Pricing Period preceding the Conversion Date;

- (d) “**Effective Conversion Price**” means (i) the Conversion Price or (ii) the Minimum Share Price, whichever is higher;
- (e) “**Effective Warrant Exercise Price**” means (i) the Warrant Exercise Price or (ii) the Minimum Share Price, whichever is higher;
- (f) “**Market Day**” means a day on which the SGX-ST is open for trading in securities in Singapore;
- (g) “**Minimum Share Price**” means the higher of (i) S\$0.015; or (ii) 90% of the VWAP for trades done on a Market Day immediately preceding the day on which the relevant Shares or Warrants (as the case may be) are issued or to be issued;
- (h) “**Pricing Period**” means a period of ten (10) Trading Days immediately preceding the date of the Conversion Notice (as defined below) in order to determine the Conversion Price;
- (i) “**Trading Day**” means any day during which the SGX-ST is open for business, provided that “Trading Day” shall not include (i) any day on which the Shares are scheduled to trade on such market for less than 5.5 hours or any day that the Shares are suspended from trading at the request of the Company or of the SGX-ST during the final hour of trading on such market, unless such day is otherwise designated as a Trading Day in writing by the Subscriber; and (ii) any day on which the value traded of the Shares on the SGX-ST is equal to or less than S\$50,000;
- (j) “**VWAP**” means the volume weighted average price (of one Share), derived by dividing the total value of Shares traded on a Market Day, by the total volume of Shares traded, as displayed under the heading “Bloomberg VWAP” on the relevant page of the Bloomberg LP screen (or its equivalent successor if the relevant page is no longer available and, if no such page is available, the market value of a Share determined by the Board in good faith using a volume weighted average method); and
- (k) “**Warrant Exercise Price**” means (i) with respect to Warrants pertaining to the First Tranche (as defined in section 3.2 of this announcement), the lower of (a) S\$0.036; or (b) 120% of the lowest daily VWAP of the Shares during the ten (10) Trading Days immediately preceding the request to issue the First Tranche; and (ii) with respect to all Warrants other than the Warrants pertaining to the First Tranche, 120% of the lowest daily VWAP of the Shares during the ten (10) Trading Days immediately preceding the request to issue the relevant Tranche to which the Warrants relate.

3.2 Proposed Issuance of Notes

Pursuant to the Subscription Agreement, the principal terms of the Notes are summarised as follows:

Commitment period	Twenty-four (24) months from the date of the Subscription Agreement (the “ Commitment Period ”).
Principal amount	An aggregate principal amount of up to S\$4,500,000 to be allotted and issued in the following tranches (each, a “ Tranche ”): <ul style="list-style-type: none"> (i) the first tranche of S\$1,000,000 (the “First Tranche”) shall be issued on the fifth (5th) Trading Day following receipt of approval from the SGX-ST for the listing and quotation of the maximum number of New Shares envisaged to be allotted and issued pursuant to the Subscription Agreement on the Catalyst (the “First Issuance Date”); and

	<p>(ii) following the First Tranche, and from the First Issuance Date to the end of the Commitment Period, the Company shall have the right (but not the obligation) to require the Subscriber to subscribe for up to four (4) subsequent tranches of S\$750,000 per tranche and a final tranche of S\$500,000 (each, a "Subsequent Tranche", with the final tranche hereinafter also referred to as "Final Tranche") by way of written notice in the agreed form ("Drawdown Notice") to the Subscriber.</p> <p>The Subscriber shall also have the right to subscribe for up to a maximum of one (1) Subsequent Tranche by submitting a written notice in the agreed form to the Company. Upon receipt of a valid notice, the Company shall send a Drawdown Notice with respect to the relevant Tranche within one (1) Business Day.</p> <p>For the avoidance of doubt, the total amount of Notes with respect to all Tranches (including the First Tranche) shall not exceed the principal amount of S\$4,500,000.</p> <p>The day on which funds have been remitted by the Subscriber to the Company with respect to the subscription of a given Tranche shall be a "Closing Date".</p>
Subscription price	The Notes comprising each Tranche shall be issued at a subscription price per Note equal to 95% of the principal amount of each Note (the " Subscription Price ").
Commitment fee	<p>In consideration for the Commitment, the Company has agreed to pay to the Subscriber on the First Issuance Date a commitment fee equal to 5% of the total amount of the Commitment (the "Commitment Fee") being S\$225,000), payable as follows:</p> <p>(i) S\$220,000 by way of issuance of Notes to the Subscriber on the First Issuance Date, in addition to the First Tranche; and</p> <p>(ii) the balance S\$5,000 by way of set off against the Subscription Price with respect to the First Tranche.</p>
Interest	The Notes shall accrue no interest.
Status of Notes	The Notes upon issue shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and, at all times so long as any Note is in issue, will rank equally between themselves and (subject to such exceptions as are from time to time mandatory under Singapore law) equally and rateably (<i>pari passu</i>) with all other present or future unsecured and unsubordinated obligations of the Company. The Notes shall at all times rank <i>pari passu</i> and without any preference or priority among themselves.
Form, denomination, title and transfer	The Notes will be issued in registered form in denominations of S\$10,000 each. A Note certificate (each a " Certificate ") will be issued to each Note holder in respect of its registered holding of Notes. Title to the Notes passes only by transfer and registration in the register of Note holders.
Conversion right and conversion period	Subject to terms of the Subscription Agreement, each Note holder shall have the right at any time between (i) the First Issuance Date or (ii) any Closing Date (as the case may be), and before the Maturity Date (as defined below) (the " Conversion Period "), to convert all

	<p>or any of the Notes into Conversion Shares, effective at the date of receipt by the Company (the "Conversion Date") of a conversion notice in the agreed form (the "Conversion Notice").</p>
<p>Conversion price and ratio</p>	<p>The number of Conversion Shares issued by the Company to the relevant Note holder upon conversion of one or several Notes will be calculated as the corresponding aggregate principal amount so converted (the "Conversion Amount") divided by the Effective Conversion Price.</p> <p>The Effective Conversion Price will not, in any event, represent a discount of more than 10% of the prevailing market price of the underlying Shares before conversion.</p>
<p>Maximum number of new shares issued pursuant to conversion of the Notes</p>	<p>Assuming that:</p> <ul style="list-style-type: none"> (i) no Note Adjustment Event has taken place; (ii) the conversion right is fully exercised in respect of the entire principal amount of the Notes; and (iii) taking the theoretical lowest possible Effective Conversion Price of S\$0.015, <p>the maximum number of up to 314,666,667 Conversion Shares when allotted and issued, will represent approximately:</p> <ul style="list-style-type: none"> (a) 12.28% of the Existing Share Capital of 2,561,700,286 Shares; (b) 10.94% of the Enlarged Share Capital of 2,876,366,953 Shares (excluding treasury shares and subsidiary holdings), after the full conversion of the Notes and excluding any Shares to be issued pursuant to the exercise of the Warrants; and (c) 10.61% of the Enlarged Share Capital of 2,966,366,953 Shares (as defined in section 3.4 of this announcement), after the full exercise of the Warrants and full conversion of the Notes to be issued, <p>as at the date of the Subscription Agreement.</p>
<p>Conversion Shares and status</p>	<p>The new Shares issued upon conversion of the Note(s) shall be subject to all provisions of the Constitution of the Company and to resolutions of the general meetings of the shareholders of the Company. The new Shares shall, when allotted and issued pursuant to the exercise by a Note holder of its conversion right in accordance with these conditions, be authorised, allotted, validly issued and fully paid up, be free from security interests, claims (including pre-emptive rights), liens or encumbrances, will be fully transferable and shall rank <i>pari passu</i> in all respects with and carry all rights similar to the existing Shares including the right to receive dividends declared, made or paid, the books closure date of entitlement of which is on or after the date of issue of such Shares, and shall not be subject to any pre-emptive right, rights of first refusal or other rights in favour of any other party to purchase or receive the same.</p>

<p>Conversion related additional fee</p>	<p>If the Conversion Price on the relevant Conversion Date (the "Relevant Conversion Date") is lower than the Minimum Share Price, and if such situation prevents the Company from issuing the number of Shares resulting from the application of the Conversion Price, the Company shall either pay a fee (the "Conversion Fee") in cash or redeem the relevant Notes.</p> <p>If the Company elects to pay the Conversion Fee, the Company shall pay to the Subscriber in cash or by way of deduction from the Subscription Price, the amount of the subscription price of the Notes to be paid by the Subscriber to the Company upon the drawdown of any Tranche, should such drawdown be made within ten (10) days from the Relevant Conversion Date.</p> <p>The Conversion Fee shall be calculated as follows:</p> $(A/B - A/C) * D$ <p><i>Where</i></p> <p>A = Principal amount of Notes to be converted B = Conversion Price C = Minimum Share Price as of the Relevant Conversion Date D = Closing share price on the Relevant Conversion Date</p> <p>If the Company elects to redeem the relevant Notes, the Company may by way of written notice to the Subscriber within five (5) days from the Relevant Conversion Date, redeem the Notes which are subject to the Relevant Conversion Notice at a price equal to 105% of the principal amount of the Notes. Such payment shall be paid no later than on the date which falls ten (10) days from the Relevant Conversion Date.</p>
<p>Adjustment events</p>	<p>The rights of the Note holders will be protected by adjusting the conversion ratio in accordance with the formulae and conditions prescribed by Note holders (acting by majority as a class) which will accord to the Note holder Shares having the same rights and privileges (including voting rights) after the completion of any of the following applicable transaction(s) (each, a "Note Adjustment Event"): </p> <ul style="list-style-type: none"> (i) increase or reduction of the share capital; (ii) a new resolution to issue a convertible loan, shares with subscription rights or warrants/independent subscription rights; (iii) liquidation; (iv) merger or de-merger; or (v) share split, merging of shares or similar reorganisation of share capital. <p>Please refer to Schedule A of this announcement for details on the adjustment mechanism in relation to the Notes.</p> <p>As the maximum number of Conversion Shares post-adjustment will depend on the actual circumstances leading to such adjustment which cannot be determined at this juncture, the Company will not</p>

	<p>be submitting an application to the SGX-ST for the listing and quotation of Conversion Shares beyond the SGX-ST Approval (as described in section 1.3 of this announcement). The Company will make further announcements on the occurrence of any adjustments via SGXNET and as and when there are material developments.</p>
<p>Maturity and redemption</p>	<p>Each Note shall mature on the date falling twelve (12) months from its date of issue (the "Maturity Date").</p> <p>The Subscriber shall not be entitled to issue a Conversion Notice to the extent that upon such conversion the Subscriber will hold Shares of the Company (after taking into account all Shares and convertible securities held by the Subscriber and its affiliates in the Company) representing more than 14.50% of the Company.</p> <p>If Notes have not been converted by the Note holder prior to their Maturity Date, they shall automatically convert upon the relevant Maturity Date, provided that if such conversion would result in the Note holder holding interest in Shares (within the meaning of the SFA and Catalist Rules) of 15% or more, or being deemed as a controlling shareholder within the meaning of the Catalist Rules, then</p> <p>(a) only the maximum amount of such number of Notes will be automatically converted on the relevant Maturity Date to new Shares as would result in the Subscriber having 14.50% of the Company's enlarged share capital; and</p> <p>(b) the balance of any Shares shall be reserved by the Company for issuance to the Subscriber, and shall be issued to the Subscriber each time the Subscriber's stake decreases below 12% (up to such amount of Shares so as not to exceed a holding of 14.50% of the then issued share capital of the Company), until such time as all the Shares to be issued in accordance with the conversion of the relevant Notes which have reached maturity have been issued, and the maturity of the Notes shall be extended by a period of six (6) months.</p> <p>Notwithstanding the above, the Company may issue a written notice to redeem the Notes by paying the Note holder the Outstanding Principal Amount ("Redemption Notice").</p> <p>"Outstanding Principal Amount" in relation to the Notes shall mean 105% of the outstanding principal amount of the Notes held by a Noteholder and in respect of which a Conversion Notice has not been issued as of the tenth (10th) Trading Day following the date on which the Company issues a Redemption Notice.</p> <p>At the Note holder's discretion, the Company shall redeem all and any Notes held by the applicable Note holder in cash at a redemption price of 105% of the principal amount of such Notes within ten (10) Business Days of receipt of a written demand in the following circumstances:</p> <p>(i) failure to issue new Shares to each Note holder in accordance with the terms of the Subscription Agreement; or</p> <p>(ii) the occurrence of an Event of Default (as defined below) which is continuing under the Subscription Agreement.</p>

Conditions precedent	<p>The obligation of the Subscriber to subscribe for the Notes is subject to the fulfilment by the Company (or waiver thereof by the Subscriber), on each of the date of the relevant Drawdown Notice and the relevant Closing Date, of <i>inter alia</i> the following conditions:</p> <ul style="list-style-type: none"> (i) no binding commitment having been entered into pursuant to which a Change of Control (as defined below) would occur; (ii) the closing market price of the Shares for each of the ten (10) consecutive Trading Days falling immediately prior to the relevant Closing Date being at S\$0.02 or higher; (iii) with respect to each Tranche other than the First Tranche, the Lent Shares have been delivered to the Company in accordance with the Share Lending Deed; (iv) the issuance of the Notes comprising the relevant Tranche to the Subscriber will not result in the Subscriber having an aggregate interest (direct or deemed) in the Shares of the Company (after taking into account all Shares and convertible securities held by the Subscriber and its affiliates in the Company) of 14.50% or more under applicable law; and (v) the issuance of the Notes comprising the relevant Tranche to the Subscriber will not result (after taking into account all Shares and convertible securities held by the Subscriber and its affiliates in the Company) in the Subscriber becoming a controlling shareholder of the Company. <p>“Change of Control” means the acquisition of control of the Company by a person which does not have control of the Company as at the date of the Subscription Agreement, whether acting alone or in concert.</p>
General covenants of the Company	<p>The Company covenants and agrees in favour of the Subscriber <i>inter alia</i> that:</p> <ul style="list-style-type: none"> (i) it will make an announcement in respect of any matter relating to the Notes, Warrants and/or the Subscription Agreement to the extent such announcement is required under the Catalist Rules and/or any applicable laws and regulations; and (ii) it will procure that all Shares issued from time to time upon conversion of the Notes or exercise of the Warrants are admitted to trading on the SGX-ST on which the Shares are traded at the latest with effect from the opening of business on the sixth (6th) Trading Day following their issuance.
Indemnification	<p>The undertaking by the Subscriber to subscribe for the Notes and the Warrants having been made on the basis of the warranties provided in the Subscription Agreement and with the certainty that the latter shall remain true and accurate up to and including each Closing Date, each Warrant Exercise Date (being the date of exercise of the Warrants) and each Conversion Date, the Company undertakes to hold harmless the Subscriber against any direct loss, liability or damages - justified by a document evidencing the harm actually suffered by the Subscriber - that the Subscriber may incur or sustain as a result of (i) any breach or any actual inaccuracy of any warranties or covenants under the Subscription Agreement, except in the case of gross negligence or wilful misconduct of the</p>

	<p>Subscriber, or (ii) the failure by the Company to comply with any requirements of statute or regulation in relation to the issue of the Notes and Warrants. In the event that a claim or a court action shall be brought by a third party against the Subscriber in respect of which indemnification may be sought from the Company pursuant to the terms of the Subscription Agreement, the Subscriber shall promptly inform the Company of the progress of such claim or court action and shall consult with the Company to the extent reasonably practicable concerning the manner in which to manage said situation.</p>
<p>Events of default</p>	<p>Upon occurrence of an Event of Default, the Subscriber shall be entitled, at its sole discretion, to terminate the Subscription Agreement by way of written notice to the Company, in which case the Parties shall be under no further liability arising out of the Subscription Agreement (except as otherwise specifically provided and except for any liability arising before or in relation to such termination). Upon such termination, all Notes and Warrants then in issue shall remain unaffected and the Parties shall be obliged to fulfil their respective obligations set out herein in respect of such Notes and Warrants.</p> <p>Where an Event of Default has occurred and is continuing under the Subscription Agreement, at the Note holder's discretion, the Company shall further redeem all and any Notes held by the applicable Note holder in cash at a redemption price of 105% of the principal amount of such Notes within ten (10) Business Days of receipt of a written demand.</p> <p>"Events of Default" shall mean any of the following:</p> <ul style="list-style-type: none"> (i) a default by the Company in the due performance of any of its obligations under the Subscription Agreement in any material respect which, if curable, is not cured within fifteen (15) calendar days as from the earliest of: (a) the date on which the Company becomes aware of such default and (b) the date on which the Subscriber notifies such default to the Company in writing, requesting that it be cured; (ii) the cancellation of the listing of the Shares to trading on the SGX-ST; (iii) the Company ceasing to comply with its obligations under the any rules of the SGX-ST, unless remedied within fifteen (15) Business Days or having obtained a waiver from compliance thereof by the SGX-ST; (iv) the suspension from trading of the Shares on the SGX-ST where such suspension is for a period longer than fifteen (15) Business Days; (v) any failure of the Company to procure the certification of the financial statements by the statutory auditors of the Company which is not cured within the timeframe allowed by law; (vi) failure by the Company to issue new Shares or procure the transfer of the relevant number of Shares to the Subscriber in accordance with the terms of the Subscription Agreement due within (a) five (5) Trading Days following the relevant delivery deadline with respect to a Conversion Notice and (b) ten (10)

	<p>Trading Days following the Warrant Exercise Date with respect to the exercise of any Warrants;</p> <p>(vii) event or circumstance occurs which has a material adverse effect</p> <p>(viii) a change of control occurs or where the Company issues securities to transfer a controlling interest (as defined in the Catalist Rules);</p> <p>(ix) save for indebtedness in respect of the financing of the Company's core business, any indebtedness of the Company which is in excess of S\$1,000,000 is not paid when due nor within the applicable grace period;</p> <p>(x) the Company voluntarily suspends or discontinues substantially all of its business, liquidates substantially all of its assets except for fair consideration or on an arm's length basis, or bankruptcy, moratorium, administration, receivership, insolvency or similar proceedings for relief of financially distressed debtors shall be instituted by or against the Company and shall not have been discharged within six (6) months; and</p> <p>(xi) a claim is admitted by the Company or decided against the Company in a court of competent jurisdiction such that all appeals have been waived or exhausted, in each case which claim and/or judgement exceeds S\$1,000,000, and the Company does not discharge the same or provide for its discharge in accordance with its terms or procure a stay of execution thereof within sixty (60) days after the date of entry thereof and within said period of sixty (60) days (or such longer period during which execution of such judgment shall have been stayed) appeal therefrom and cause the execution thereof to be stayed during such appeal,</p> <p>(each, an "Event of Default").</p>
Alteration to terms	No material alteration to the terms of the Notes after the issue thereof to the advantage of the Note holders, except in accordance with the terms of the Subscription Agreement, shall be made unless first approved by the shareholders of the Company in general meeting.
Costs	<p>The Company shall pay:</p> <p>(i) its own costs and expenses, incurred in relation to the Subscription Agreement; and</p> <p>(ii) any taxes and capital, stamp, issue and registration duties, and where applicable, transaction or exercise charges imposed by CDP, clearing fees and other expenses, arising on conversion, allotment and issue of the new Shares and listing of the new Shares on conversion.</p>
Governing law	The laws of Singapore.

3.3 Proposed Issuance of Warrants

Pursuant to the Subscription Agreement and as part of the Proposed Issue, Warrants will be attached to the Notes with respect to each Tranche as follows:

- (a) with respect to the First Tranche, Warrants in the total combined number of (i) 15% of the total sum of the Commitment (i.e. S\$675,000) divided by the Effective Warrant Exercise Price; and (ii) 15% of the principal amount of the First Tranche (i.e. S\$150,000) divided by the Effective Warrant Exercise Price (in each case, the resulting number of Warrants being rounded down to the nearest whole number) shall be attached to the Notes issued pursuant to the First Tranche; and
- (b) with respect to each Subsequent Tranche, Warrants in the number of 15% of the Principal Amount of each Subsequent Tranche (i.e. S\$112,500 for each Subsequent Tranche other than the Final Tranche, and S\$75,000 for the Final Tranche), divided by the Effective Warrant Exercise Price (the resulting number of Warrants being rounded down to the nearest whole number) shall be attached to the Notes issued pursuant to each Subsequent Tranche.

Upon issuance of the relevant Tranches, the Warrants shall be detached from the Notes.

The principal terms of the Warrants are summarised as follows:

Size	<p>Based on the theoretical lowest possible Effective Warrant Exercise Price of S\$0.015 for each of the First Tranche and Subsequent Tranches, the maximum number of Warrants or Warrant Shares that may be issued is 90,000,000.</p> <p>Assuming that:</p> <ul style="list-style-type: none"> (i) no Warrant Adjustment Event has taken place; (ii) the exercise right is fully exercised in respect of the Warrants; and (iii) taking the theoretical lowest possible Effective Warrant Exercise Price applicable, <p>the maximum number of up to 90,000,000 Warrant Shares when allotted and issued, will represent approximately:</p> <ul style="list-style-type: none"> (a) 3.51% of the Existing Share Capital (as defined in section 3.4 of this announcement) of 2,561,700,286 Shares; (b) 3.39% of the enlarged share capital of 2,651,700,286 Shares (excluding treasury shares and subsidiary holdings), after the full exercise of the Warrants and excluding any Conversion Shares to be issued pursuant to the conversion of the Notes; and (c) 3.03% of the Enlarged Share Capital of 2,966,366,953 Shares (as defined in section 3.4 of this announcement), after the full exercise of the Warrants and full conversion of the Notes to be issued, <p>as at the date of the Subscription Agreement.</p>
Form and subscription	The Warrants shall be in registered form. Evidence of the rights of any Warrant holder shall be given by an inscription in its name in a register of the Warrant holders.

rights of Warrants	<p>Each Warrant will give right to subscribe for one (1) Share (the "Warrant Exercise Ratio"), subject to any adjustment to the Warrant Exercise Ratio made in accordance with the Subscription Agreement. The relevant number of new Shares resulting from the exercise of the Warrants shall be issued upon payment in cash by the relevant Warrant holder of the Effective Warrant Exercise Price.</p> <p>The Warrants shall become automatically null and void on the date falling thirty six (36) months after their respective issue date ("Expiration Date").</p>
Exercise Period	<p>A Warrant holder shall not be entitled to exercise its Warrants to the extent that upon such exercise the Subscriber will hold Shares of the Company (after taking into account all Shares and convertible securities held by the Subscriber and its affiliates in the Company) representing more than 14.50% of the Company.</p> <p>Subject to the foregoing, each Warrant holder shall have the right at its option, and effective at any time from their issuance and prior to the expiry of the Warrant's term, being before 5.00 p.m. (Singapore time) on any Business Day prior to the Expiration Date (the "Warrant Exercise Period"), to exercise all or any of the Warrants into newly issued Shares.</p> <p>At the expiry of the Warrant Exercise Period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose. The right to exercise the Warrants will not be extended beyond the Expiration Date.</p>
Exercise Price	<p>The Effective Warrant Exercise Price, subject to any adjustments in accordance with the terms of the Subscription Agreement.</p> <p>As defined above, the Effective Warrant Exercise Price refers to the higher of (i) the Warrant Exercise Price or (ii) the Minimum Share Price; and the Minimum Share Price refers to the higher of (a) S\$0.015; or (b) 90% of the VWAP for trades done on a Market Day immediately preceding the day on which the relevant Warrants are issued or to be issued.</p> <p>As such, the Effective Warrant Exercise Price will not, in any event, represent a discount of more than 10% of the prevailing market price of the underlying Shares before conversion.</p>
Adjustment events	<p>The Effective Warrant Exercise Price and the number of Warrants held by each Warrant holder shall from time to time be adjusted in accordance with the terms of the Subscription Agreement in, <i>inter alia</i>, all or any of the following cases (each, a "Warrant Adjustment Event"): </p> <ul style="list-style-type: none"> (i) any consolidation or subdivision of the Shares; (ii) an issue of Shares credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature) to its shareholders (other than an issue of Shares to its shareholders who elect to receive Shares in lieu of cash or other dividend); (iii) a capital distribution made by the Company to its shareholders whether on a reduction of capital or otherwise

	<p>(but excluding any cancellation of capital which is lost or unrepresented by available assets);</p> <p>(iv) an offer or invitation made by the Company to its shareholders whereunder they may acquire or subscribe for Shares by way of rights; or</p> <p>(v) an issue (otherwise than pursuant to an offer or invitation made by the Company to its shareholders whereunder they may acquire or subscribe for Shares by way of rights, requiring an adjustment under sub-section (iv) above, and other than an issue of Shares to its shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares, if the total effective consideration (for the purposes of the Subscription Agreement) for each Share is less than 90% of the last dealt price for each Share.</p> <p>Please refer to Schedule B of this announcement for details on the adjustment mechanism in relation to the Warrants.</p> <p>As the maximum number of Warrant Shares post-adjustment will depend on the actual circumstances leading to such adjustment which cannot be determined at this juncture, the Company will not be submitting an application to the SGX-ST for the listing and quotation of Warrant Shares beyond the SGX-ST Approval (as described in section 1.3 of this announcement). The Company will make further announcements on the occurrence of any adjustments via SGXNET and as and when there are material developments.</p>
Transferability	The Warrants will not be admitted to trading on any financial market, and shall be only transferrable among the Subscriber and its affiliates.
Status of Warrant Shares	The Warrant Shares will rank for any dividends, rights, allotments or other distributions, the record date for which shall fall on or after the date of issue of the Warrant Shares. Subject as aforesaid, the Warrant Shares shall rank <i>pari passu</i> in all other respects with the then existing Shares.
Winding up	<p>If a resolution is passed for a members' voluntary winding-up of the Company, every Warrant Holder shall be entitled, upon and subject to the Subscription Agreement, at any time within eight (8) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant certificate(s) to the Company with the notice(s) to exercise the Warrants duly completed, together with payment of the relevant Warrant Exercise Price, elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the relevant notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warrant holders of the passing of any such resolution within seven (7) Market Days after the passing thereof.</p> <p>Subject to the foregoing, if the Company is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.</p>

Notice of expiry	The Company shall: <ul style="list-style-type: none"> (i) give or cause the Warrant agent to give sufficient notice in writing to each of the Warrant holders of the Expiration Date of the Warrants; and (ii) not later than one (1) month before the last day of the Warrant Exercise Period, announce the expiry of the Warrant Exercise Period and give written notice to the Warrant holders.
Alteration to terms	No material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrant holders, except in accordance with the terms of the Subscription Agreement, shall be made unless first approved by the shareholders of the Company in general meeting.
Governing law	The laws of Singapore.

3.4 Effect of the Proposed Issue on the Existing Share Capital

As at the date of this announcement, (i) the Company has an existing issued and paid-up share capital of 2,561,700,286 Shares ("**Existing Share Capital**"); and (ii) the Company has no treasury shares or subsidiary holdings or outstanding warrants.

Upon completion of the Proposed Issue and assuming (i) the issue and conversion of the maximum number of Notes (resulting in the allotment and issuance of a maximum number of 314,666,667 Conversion Shares); (ii) the exercise of the maximum number of Warrants (resulting in the allotment and issuance of a maximum number of 90,000,000 Warrant Shares); and (iii) conversion of the Notes and exercise of the Warrants at the respective theoretical lowest Effective Conversion Price and Effective Warrant Exercise Price (as the case may be, and assuming no further issuance and allotment of new Shares and no Adjustment Event), the Company's issued and paid-up share capital will increase to 2,966,366,953 Shares ("**Enlarged Share Capital**"). The aggregate number of new Shares (comprising the maximum number of Conversion Shares and Warrant Shares) will accordingly represent approximately 15.80% of the Existing Share Capital, and approximately 13.64% of the Enlarged Share Capital.

3.5 Share Lending Deed

- (a) Pursuant to the Share Lending Deed,
- (i) the Company will allot and issue to the Lender an amount of new Shares (equivalent to the number of Lent Shares) ("**New Lent Shares**") as repayment within five (5) Trading Days following the drawing down of the Lent Shares; and
 - (ii) to the extent that the number of Lent Shares is available to satisfy only part (but not all) of the Conversion Shares issuance requirement of the Company, the Company shall first transfer all Lent Shares available, and satisfy the remaining Conversion Shares issuance requirement by way of the issuance of new Shares to the Subscriber.
- (b) No fees will be payable by the Company to the Lender (and vice versa) in connection with the Share Lending Deed, and no collateral will be provided by the Company to the Lender for the Lent Shares. The Lender shall accept such re-delivery of the New Lent Shares as full and final settlement of the Lent Shares.
- (c) Upon the termination of the Share Lending Deed, the Company shall either:

- (i) deliver to the Lender such number of New Shares in accordance with Share Lending Deed not later than the date falling five (5) Business Days after the date of the termination or such other date as may be agreed between the parties; or
- (ii) pay the aggregate value of the relevant number of Lent Shares based on the Market Price (being the VWAP for trades done on a Market Day immediately preceding the day on which a relevant event occurs) in freely transferable and immediately available funds to the Lender not later than the date falling seven (7) Business Days from the date of the termination or such other date as may be agreed between the parties, as full and final settlement of the loan.

The Lender shall thereafter have no claims whatsoever against the Company, the Subscriber nor any other Note or Warrant holder in relation to or arising out of the Proposed Issue.

4. MANDATE FOR THE ISSUE OF THE CONVERSION SHARES AND THE WARRANT SHARES

- 4.1 The new Shares will be allotted and issued pursuant to the general share issue mandate (the “**General Mandate**”) granted by shareholders of the Company to the Directors at the annual general meeting of the Company on 30 October 2019 (“**2019 AGM**”), pursuant to which authority was granted to the Directors to, *inter alia*, allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the date of the 2019 AGM, of which the aggregate number of shares to be issued other than on a *pro rata* basis to existing shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the date of the 2019 AGM.
- 4.2 As at the date of the 2019 AGM, the issued and paid-up share capital of the Company was 2,436,700,286 Shares, being the Existing Share Capital (excluding treasury shares and subsidiary holdings). As no Shares were previously issued under the General Mandate, the maximum number of Shares to be issued other than on a *pro rata* basis is 1,218,350,143.
- 4.3 Assuming there are no Note Adjustment Events and full issue and conversion of the Notes, based the theoretical lowest possible Effective Conversion Price of S\$0.015, the maximum number of Conversion Shares that may be allotted and issued is 314,666,667. Assuming there are no Warrant Adjustment Events and full issue and exercise of the Warrants, based the theoretical lowest possible Effective Warrant Exercise Price of S\$0.015, the maximum number of Warrants Shares that may be allotted and issued is 90,000,000. Accordingly, the aggregate maximum number of New Shares that may be allotted and issued is 404,666,667, and is within the limits of the General Mandate.

5. RATIONALE FOR THE PROPOSED ISSUE AND USE OF PROCEEDS

- 5.1 Based on the unaudited consolidated financial statements of the Group for the financial period ended 31 December 2020, the Group recorded a negative working capital of approximately Rp 98,485 million (equivalent to S\$9,252,552) as at 31 December 2020. The Company is undertaking the Proposed Issue to raise funds for operating and capital expenditure required for the Group’s Ciemas Gold Project, as well as to strengthen the capital base of the Group. As and when the Warrants are exercised, the Group’s financial position will be improved further.
- 5.2 In the event the Notes (being the full principal amount of S\$4.5 million) are fully subscribed, the estimated net proceeds to be raised from the Proposed Issue (excluding the amount to be raised on the exercise of Warrants by the Warrant holders), after

deducting estimated expenses of approximately S\$0.6 million incurred in connection with the Proposed Issue, is expected to be approximately S\$3.9 million (“**Net Proceeds**”).

5.3 The Company intends to use the Net Proceeds in the following manner:

Intended uses	Net Proceeds	
	S\$'000	(%)
Capital expenditure	1,950	50
Exploration and evaluation expenses	975	25
General working capital	975	25
Total	3,900	100

5.4 Assuming the maximum number of 90,000,000 Warrants are issued (and that no Warrant Adjustment Event has taken place) and further assuming (i) all the Warrants are exercised, and (ii) the theoretical lowest possible Effective Warrant Exercise Price of S\$0.015, the Company will raise additional gross proceeds of approximately S\$1.35 million. As and when the Warrants are exercised, the proceeds arising from the exercise of Warrants (“**Warrants Proceeds**”) may be applied towards the Group’s operating and capital expenditure required for the Group’s Ciemas Gold Project, general corporate and working capital requirements and/or such other purposes as the Directors may in their absolute discretion deem fit.

5.5 Pending the deployment of the Net Proceeds and the Warrants Proceeds (as and when the Warrants are exercised), such proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit and in the interests of the Company.

5.6 The Company will make periodic announcements on the utilisation of the Net Proceeds and the Warrants Proceeds as and when such proceeds are materially disbursed or utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the Net Proceeds and the Warrants Proceeds (as and when the Warrants are exercised), in the Company’s interim and full year financial results announcement, and the annual report of the Company. Where such proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the proceeds for working capital in its announcement and annual reports.

6. FINANCIAL EFFECTS OF THE PROPOSED ISSUE

6.1 The *pro forma* financial effects of the Proposed Issue are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company and the Group after the Proposed Issue.

6.2 The *pro forma* financial effects of the Proposed Issue have been computed based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2020 (“**FY2020**”). The financial effects of the Proposed Issue are based on the following assumptions:

- (a) the financial effect on the net tangible assets (“**NTA**”) per Share is computed based on the assumption that the Proposed Issue was completed on 31 December 2020;
- (b) the financial effect on the loss per Share (“**LPS**”) is computed based on the assumption that the Proposed Issue was completed on 1 July 2019;

- (c) the maximum number of new Conversion Shares and Warrant Shares of 404,666,667 Shares have been allotted and issued pursuant to the Subscription Agreement, assuming (i) no Note Adjustment Event and/or Warrant Adjustment Event has taken place, and (ii) the theoretical lowest possible Effective Conversion Price and/or Effective Warrant Exercise Price of S\$0.015;
- (d) expenses to be incurred in respect of the Proposed Issue amounted to approximately S\$600,000;
- (e) expenses to be incurred in respect of the exercise of Warrants are insignificant and disregarded; and
- (f) currency translation of S\$ and Rupiah are translated based on the exchange rate of S\$1.00 : Rp 10,644.

6.3 Issued Share Capital

	Before the Proposed Issue	After the Proposed Issue
Issued and paid-up share capital of the Company (Rp million)	3,143,131	3,207,741
Total number of Shares	2,561,700,286	2,966,366,953

6.4 NTA per Share

As at 31 December 2020	Before the Proposed Issue	After the Proposed Issue
NTA (Rp million)	165,304	224,631
Total number of Shares	2,561,700,286	2,966,366,953
NTA per Share (Rp)	65	76

6.5 LPS

As at 31 December 2020	Before the Proposed Issue	After the Proposed Issue
Loss attributable to shareholders (Rp million)	130,393	130,393
Weighted average number of Shares	2,538,518,468	2,943,185,135
LPS (Rp)	51	44

7. **DIRECTORS' OPINION**

In accordance with Rule 810(1)(c) of the Catalist Rules, the Directors are of the opinion that, after taking into consideration:

- (a) the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Proposed Issue will provide funding for operating and capital expenditure of the Group's Ciemas Gold Project, as well as strengthen the capital base of the Group; and

- (b) the present bank facilities and the Net Proceeds and the Warrants Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for the Lent Shares to be issued and allotted to the Lender as set out in section 3.5 this announcement:

- (a) the Conversion Shares and the Warrant Shares will not be issued to any person who is a Director or a substantial shareholder of the Company or any person who falls within the categories set out in Rule 812(1) of the Catalist Rules; and
- (b) none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Issue (other than arising from their shareholdings in the Company, if any).

9. DIRECTORS' RESPONSIBILITY STATEMENT

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

10. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully, and to exercise caution when dealing in the securities of the Company. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

11. DOCUMENT(S) AVAILABLE FOR INSPECTION

A copy of each of the Subscription Agreement and the Share Lending Deed will be made available for inspection during normal business hours at the registered office of the Company at 62 Ubi Road 1 Oxley Bizhub 2 #03-10 Singapore 408734, for a period of three (3) months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Wijaya Lawrence
Executive Chairman and President
31 March 2021

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

Schedule A

Adjustment mechanism in relation to the Notes

1. Upon completion of any of the following transactions:
 - (a) increase or reduction of the share capital,
 - (b) a new resolution to issue a convertible loan, shares with subscription rights or warrants/independent subscription rights,
 - (c) liquidation,
 - (d) merger or de-merger,
 - (e) share split, merging of shares or similar reorganisation of share capital,

which the Company may carry out after the issuance of the Notes, the rights of the Note holders will be protected by adjusting the conversion ratio in accordance with the formulae and conditions prescribed by Note holders (acting by majority as a class) which will accord to the Note holder Shares having the same rights and privileges (including voting rights) after the completion of the applicable transaction(s).

2. In the event of an adjustment carried out in accordance with conditions 1(a) to (e) above, the new conversion ratio will be determined to three (3) decimal places and rounded to the nearest 1000th (0.0005 being rounded down to the next highest 1000th). Any subsequent adjustments will be carried out on the basis of such newly calculated and rounded conversion ratio. However, the Notes can only result in the delivery of a whole number of Shares.

In case of an increase or a reduction of the share capital; or in case of a new resolution to issue a convertible loan, share options, shares with subscription rights or warrants, or independent subscription rights, liquidation, merger or de-merger (each a "**Capital Issue**"), the rights of the Note holders will be protected by adjusting the conversion ratio such that the Note holder shall have rights to convert into Shares based on the enlarged share capital in the Company after taking into account the Capital Issue.

Such adjustment shall become effective on the date of issue or grant, as the case may be, of such Shares or such options, warrants or rights, and shall be notified in writing to the Note holder.

3. Any Note holder converting its Notes may subscribe to a number of Shares, which is calculated by multiplying the conversion ratio in effect at such time by the number of Notes converted. If the Shares are listed and if the number of Shares calculated in this manner is not a whole number, a Note holder shall receive (the option of which shall be at the Company's sole discretion) the nearest whole number of Shares immediately less than its entitlement and will receive a payment equal to the value of such additional fraction of a Share calculated on the basis of the closing Share price listed on SGX-ST on the Conversion Date.

Schedule B

Adjustment mechanism in relation to the Warrants

1. The Effective Warrant Exercise Price (hereinafter referred to as "**Exercise Price**") and the number of Warrants held by each Warrant holder shall from time to time be adjusted by the Subscriber. The Exercise Price and the number of Warrants held by each Warrant holder shall from time to time be adjusted as provided in conditions in all or any of the following cases:
 - (a) any consolidation or subdivision of the Shares;
 - (b) an issue by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature) to its shareholders (other than an issue of Shares to its shareholders who elect to receive Shares in lieu of cash or other dividend);
 - (c) a Capital Distribution (as defined in paragraph 2(c) below) made by the Company to its shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);
 - (d) an offer or invitation made by the Company to its shareholders whereunder they may acquire or subscribe for Shares by way of rights; or
 - (e) an issue (otherwise than pursuant to an offer or invitation made by the Company to its shareholders whereunder they may acquire or subscribe for Shares by way of rights, requiring an adjustment under paragraph 2(d), and other than an issue of Shares to its shareholders who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares, if the Total Effective Consideration for each Share is less than ninety per cent. (90%) of the last dealt price for each Share (calculated as provided below).

For the purposes of paragraphs 1(e), the "**Total Effective Consideration**" shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "**Total Effective Consideration for each Share**" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

2. Subject to the conditions, the Exercise Price and the number of Warrants held by each Warrant holder shall from time to time be adjusted in accordance with the following provisions:
 - (a) If, and whenever, consolidation or subdivision of the Shares occurs, the Exercise Price shall be adjusted in the following manner:

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

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

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

where:

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

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

X = existing Exercise Price; and

W = existing number of Warrants held.

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

- (b) If, and whenever, the Company shall make any issue of Shares to its shareholders (other than an issue of Shares to shareholders who elect to receive Shares in lieu of cash or other dividend) credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Warrants shall be adjusted in the following manner:

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

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

where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders (other than an allotment of Shares to shareholders who elect to receive Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);

X = as in X above; and

W = as in W above.

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

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

- (c) If, and whenever:
- (i) the Company shall make a Capital Distribution (as defined below) to shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
 - (ii) the Company shall make any offer or invitation to its shareholders whereunder they may acquire or subscribe for Shares by way of rights,

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

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

and in respect of each case referred to in paragraph 2(c)(ii) above, the number of Warrants held by each Warrant holder shall be adjusted in the following manner:

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

where:

C = the last dealt price on the Market Day immediately preceding the date on which the Capital Distribution, or any offer or invitation referred to in paragraph 2(c)(ii) above, is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution or as the case may be, of the offer or invitation;

D = (i) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights under paragraph 2(c)(ii) above, the value of the rights attributable to one (1) Share (as defined below); or (ii) in the case of any other transaction falling within paragraph 2(c) above, the fair market value, as determined by an approved bank and/or the auditors, of that portion of the Capital Distribution or of the nil-paid rights attributable to one (1) Share;

X = as in X above; and

W = as in W above.

For the purposes of definition (i) of "D" above, the "**value of the rights attributable to one (1) Share**" shall be calculated in accordance with the formula:

$C - Z$

$Q + 1$

where:

C = as in C above;

Z = the subscription price for one (1) additional Share under the offer or invitation to acquire or subscribe for Shares;

Q = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share by way of rights; and

1 = one.

For the purposes of this Schedule B, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under paragraph 2(b)) or other securities (other than an issue of Shares to shareholders who elect to receive Shares in lieu of cash or other dividend) credited as fully or partly paid-up by way of capitalisation of profits or reserves. Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Company or any of its subsidiaries on or before the date of such

distribution and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue pursuant to paragraph 2(c)(i).

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for the above transactions for such issue pursuant to paragraph 2(c)(ii).

For the purposes of this paragraph 2, "**closing date**" shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

3. In the event any adjustment to the Exercise Price and/or the number of Warrants held by each Warrant holder is proposed or required to be made pursuant to these conditions, the relevant party or parties, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Company from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Company as at the date of this agreement, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per share value of such adjustment cannot exceed the per share value of the dilution to the Warrant holder's interest in the equity of the Company (based on the new Shares comprised in the unexercised Warrants held by such Warrant holder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant condition hereunder) giving rise to such adjustment.
4. Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants will be required in respect of:
 - (a) an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries pursuant to any purchase or option scheme or performance share plan approved by its shareholders in general meeting;
 - (b) an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;
 - (c) any issue by the Company of Shares pursuant to the exercise of any of the Warrants and any other warrants or the conversion of any convertible securities previously issued by the Company; or

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