

OFFER INFORMATION STATEMENT DATED 26 MAY 2014

(Lodged with the Monetary Authority of Singapore on 26 May 2014)

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

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the Section entitled “**Definitions**” of this offer information statement (“**Offer Information Statement**”) issued by TEE International Limited (the “**Company**” or “**TEE**”).

A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Warrants and the New Shares being issued, or in respect of which an invitation is made, for investment.

An application has been made by the Company to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) to list for quotation the Warrants and the New Shares on the Main Board of the SGX-ST. Approval in-principle has been granted by the SGX-ST for the listing of and quotation for the Warrants and the New Shares on the Main Board of the SGX-ST, subject to certain conditions. The Company may in its absolute discretion waive any of the said conditions in the event that the SGX-ST waives compliance of the same. The Warrants and the New Shares will be admitted to the Official List of the SGX-ST and the official listing of and quotation for the Warrants and the New Shares will commence after all conditions imposed by the SGX-ST are satisfied, the certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

The approval in-principle granted by the SGX-ST for admission to the Official List of the SGX-ST and the dealing in, listing of and quotation for, the Warrants and the New Shares are in no way reflective of, and are not to be taken as an indication of the merits of the Bonus Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement.

No Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgment of this Offer Information Statement with the Authority.



TEE International Limited

TEE INTERNATIONAL LIMITED

Company Registration Number: 200007107D
(Incorporated in the Republic of Singapore on 15 August 2000)

BONUS WARRANTS ISSUE OF UP TO 197,210,288 FREE WARRANTS (“WARRANTS”), WITH EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW SHARE (“NEW SHARE”) AT AN EXERCISE PRICE OF S\$0.25 FOR EACH NEW SHARE, ON THE BASIS OF TWO (2) WARRANTS FOR EVERY FIVE (5) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “SHARES”) HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS, IF ANY, BEING DISREGARDED

IMPORTANT NOTES

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

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

Persons wishing to subscribe for the New Shares offered by this Offer Information Statement should, before deciding whether to purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment, *inter alia*, of the assets and liabilities, risk factors, profits and losses, financial position, performance and prospects of the Company, the Group and the rights and liabilities attaching to the Warrants and the New Shares. They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their legal, financial, tax or other professional advisers before deciding whether to subscribe for the New Shares or invest in the Company.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Bonus Warrants Issue or the issue of the New Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Warrants and/or the New Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or SGX-ST, the Company may make an announcement of the same to SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company is not making any representation to any person regarding the legality of an investment in the Warrants, the New Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, legal, financial or tax advice. Each prospective investor should consult his own professional or other advisor for business, legal, financial or tax advice regarding an investment in the Warrants, the New Shares and/or the Shares.

The Company makes no representation, warranty or recommendation whatsoever as to the merits of the Bonus Warrants Issue, the New Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept or purchase the Warrants, the New Shares and/or the Shares. Prospective subscribers of the New Shares and/or the Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

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

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

IMPORTANT NOTES

The distribution of this Offer Information Statement (and/or its accompanying documents) and the purchase, exercise of or subscription for the Warrants may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions.

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Bertie Cheng Shao Shiong	Independent and Non-Executive Chairman
		Tan Boen Eng	Independent and Non-Executive Director
		Lee Ah Fong	Independent and Non-Executive Director
		Gn Hiang Meng	Independent and Non-Executive Director
		Phua Chian Kin	Group Chief Executive & Managing Director
		Saw Chin Choo	Executive Director
		Phua Boon Kin	Executive Director
COMPANY SECRETARIES	:	Yeo Ai Mei Lai Foo Kuen	
REGISTERED OFFICE	:	Block 2024 Bukit Batok Street 23 #03-48 Singapore 659529	
SHARE REGISTRAR	:	B.A.C.S. Private Limited 63 Cantonment Road Singapore 089758	
SOLICITORS TO THE BONUS WARRANTS ISSUE	:	Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624	
AUDITORS	:	Deloitte & Touche LLP 6 Shenton Way #32-00 OUE Downtown 2 Singapore 068809	

DEFINITIONS

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

Entities in relation to the Bonus Warrants Issue

- “Company” or “TEE” : TEE International Limited
- “Group” : The Company and its subsidiaries

Other Companies, Organisations and Agencies

- “Authority” : Monetary Authority of Singapore
- “CDP” : The Central Depository (Pte) Limited
- “CPF” : Central Provident Fund
- “CPF Board” : The Board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as amended or modified from time to time
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “Share Registrar” or
“Warrant Agent” : B.A.C.S. Private Limited
- “TEE Land” : TEE Land Limited

General

- “Board” or “Board of Directors” : The board of Directors of the Company as at the date of this Offer Information Statement
- “Bonus Warrants Issue” : The bonus issue by the Company of up to 197,210,288 free Warrants, each Warrant carrying the right to subscribe for one (1) New Share in the capital of the Company, on the basis of two (2) Warrants for every five (5) existing Shares in the capital of the Company held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
- “Books Closure Date” : 5.00 p.m. on 26 May 2014, being the time and date at and on which the Register of Members and the share transfer books of the Company were closed to determine the entitlements of Entitled Scripholders to the Bonus Warrants Issue and, in the case of Entitled Depositors, at and on which their entitlements under the Bonus Warrants Issue were determined
- “Companies Act” : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “CPFIS” : Central Provident Fund Investment Scheme
- “CPF Regulations” : The Central Provident Fund (Investment Schemes) Regulations, as the same may be modified, amended or supplemented from time to time

DEFINITIONS

“Deed Poll”	:	The deed poll dated 23 May 2014 executed by the Company for the purposes of constituting the Warrants (as the same may be amended or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantheolders
“Directors”	:	Directors of the Company as at the date of this Offer Information Statement
“Entitled Depositors”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had provided CDP with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Scripholders”	:	Shareholders with Shares registered in their own names in the Register of Members of the Company as at the Books Closure Date (for the avoidance of doubt excluding CDP) or persons who had tendered to the Share Registrar duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title for registration up to the Books Closure Date and, in each case, whose registered addresses with the Company were in Singapore as at the Books Closure Date or who had provided the Share Registrar with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“Exercise Date”	:	The day on which the Warrants may be exercised, being any Market Day during the Exercise Period
“Exercise Period”	:	The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, but excluding such period(s) during which the Register of Warrantheolders may be closed pursuant to the terms and conditions of the Warrants as set out in the Deed Poll, and such period shall not be extendable
“Exercise Price”	:	The sum payable in respect of each New Share to which a Warrantheolder will be entitled to subscribe upon the exercise of a Warrant, being S\$0.25, subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
“FY”	:	Financial year or years ended or ending 31 May, as the case may be

DEFINITIONS

“Latest Practicable Date”	:	19 May 2014, being the latest practicable date prior to the issue of this Offer Information Statement
“Listing Manual”	:	Listing Manual of the SGX-ST, as may be amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“New Shares”	:	The new Shares to be allotted and issued by the Company credited as fully paid, upon the exercise of the Warrants subject to and in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
“Offer Information Statement”	:	This document issued by the Company in respect of the Bonus Warrants Issue, and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one or more voting Shares and the total votes attached to such Share(s) is not less than 5% of the total votes attached to all the voting Shares
“TEE MTN Programme”	:	The S\$350,000,000 multicurrency medium term note programme established by the Company on 29 November 2013
“Warrant Certificates”	:	The certificates (in registered form) to be issued in respect of the Warrants as from time to time modified in accordance with the conditions to be set out in the Deed Poll

DEFINITIONS

“Warrantholders”	:	Registered holders of the Warrants, except that where CDP is the registered holder, the term “Warrantholders” shall, in relation to such Warrants and where the context so admits, mean the Entitled Depositors whose Securities Accounts are credited with the Warrants
“Warrants”	:	Up to 197,210,288 free warrants in registered form to be issued by the Company pursuant to the Bonus Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the Deed Poll (any such additional warrants to rank <i>pari passu</i> with the warrants issued pursuant to the Bonus Warrants Issue and for all purposes to form part of the same series), each such Warrant entitling its holder to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions of the Deed Poll
“9M”	:	The nine (9) months ended or ending 28 February, as the case may be

Currencies, Units and Others

“BND”	:	Brunei Dollars, the lawful currency of the Nation of Brunei
“HKD”	:	Hong Kong Dollars, the lawful currency of Hong Kong
“NZD”	:	New Zealand Dollars
“RM”	:	Ringgit, the lawful currency of Malaysia
“S\$” or “SGD” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
“THB”	:	Baht, the lawful currency of the Kingdom of Thailand
“US\$”	:	United States dollars
“%” or “per cent.”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Register”** and **“Depository Agent”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term **“subsidiary”** shall have the meaning ascribed to it by Section 5 of the Companies Act.

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

The words **“written”** and **“in writing”** include any means of visible reproduction.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, the Securities and Futures (Offers of Investments) (Shares and Debentures Regulations) 2005 or the Listing Manual or any amendment or modification thereof and not otherwise defined in this Offer Information Statement shall, where applicable, have the meaning assigned to it respectively under the Companies Act, the Securities and Futures Act, the Securities and Futures (Offers of Investments) (Shares and Debentures Regulations) 2005 or the Listing Manual or such amendment or modification thereof, as the case may be.

DEFINITIONS

Any reference to a time of day and dates in this Offer Information Statement shall be a reference to Singapore time and dates unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement in relation to the Bonus Warrants Issue shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

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

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

References in this Offer Information Statement to “**we**”, “**our**” and “**us**” refer to the Company and its subsidiaries.

Any reference to announcements of or by the Company in this Offer Information Statement includes announcements by the Company posted on the website of the SGX-ST at <http://www.sgx.com>.

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Bonus Warrants Issue is set out below (all references are to Singapore dates and times). For the event listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Books Closure Date	:	26 May 2014 at 5.00 p.m.
Expected date for issuance of Warrants	:	29 May 2014
Expected date and time for commencement of trading of Warrants on the Main Board of SGX-ST (subject to there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants)	:	3 June 2014 from 9 a.m.

The above timetable is indicative only and is subject to change.

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

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN BONUS WARRANTS ISSUE

1. ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Bonus Warrants Issue.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement has not been and will not be registered, lodged or filed in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant requirements, whether legal or otherwise, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the legislation applicable in countries other than Singapore, the Warrants will not be issued to, and this Offer Information Statement has not been and will not be despatched to, Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Bonus Warrants Issue.

Notwithstanding the above, Shareholders or any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Warrants or Shares.

The Warrants which represent fractional entitlements disregarded in accordance with the terms of the Bonus Warrants Issue shall be dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

TRADING

1. LISTING AND QUOTATION OF WARRANTS

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Warrants and New Shares on the Main Board of the SGX-ST, subject to, *inter alia*, there being a sufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Bonus Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries. Under Rule 826 of the Listing Manual, it is provided, that as a guide, the SGX-ST expects at least 100 Warrantheolders for a class of company warrants.

In the event that permission is not granted by the SGX-ST for the listing and quotation for the Warrants due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed and complete the Bonus Warrants Issue. Accordingly, in such an event, Warrantheolders will not be able to trade their Warrants on the Main Board of the SGX-ST. However, if a Warrantheolder were to exercise his Warrants in accordance with the Deed Poll, the New Shares arising therefrom will be listed and quoted on the Main Board of the SGX-ST.

Upon the listing and quotation on the Main Board of the SGX-ST, the Warrants and the New Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Warrants and New Shares effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" and the "Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Warrants", as the same may be amended from time to time. Copies of the above are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders who wish to trade the Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Warrants may be credited by CDP into their Securities Accounts.

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

3. TRADING OF ODD LOTS

Shareholders should note that most counters on the SGX-ST trade in board lot sizes of 1,000 shares. Following the Bonus Warrants Issue, Entitled Shareholders who hold odd lots of Warrants (i.e. lots other than board lots of 1,000 Warrants) and who wish to trade in odd lots on the SGX-ST should note that they are able to do so on the Unit Share Market of the SGX-ST.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its related corporations, directors, officers, executives or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company’s and the Group’s expected financial position and performance, operating results, business strategies, plans and future prospects are forward-looking statements.

These forward-looking statements, including, but not limited to, statements as to the Company’s and the Group’s revenue and profitability, cost measures, expected industry trends, prospects, future plans, planned strategy and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s and the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more detail in this Offer Information Statement, in particular, but not limited to, discussions under paragraph 9 of Part V - Operating and Financial Review and Prospects of this Offer Information Statement.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Company’s and the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements and information. None of the Company, its respective related corporations, directors, officers, executives and employees or any other person represents or warrants that the Company’s and the Group’s actual future results, performance or achievements will be as discussed in those statements and financial information. In light of the volatile global financial markets and global economic uncertainties, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, the Company and its related corporations, directors, officers, executives and employees disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency. Where such developments, events or circumstances occur after the lodgment of this Offer Information Statement with the Authority and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

This Offer Information Statement may include market and industry data and information that have been obtained from, *inter alia*, internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed, and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information. While reasonable steps have been taken to ensure that the information is extracted accurately, the Company and its related corporations, directors, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Offer Information Statement.

TAKE-OVER LIMITS

The Singapore Code on Take-overs and Mergers (“**Code**”) regulates the acquisition of voting shares in, *inter alia*, corporations with a primary listing of their equity securities in Singapore (such as the Company). In general terms, except with the consent of the Securities Industry Council of Singapore where any person acquires shares in a company which, taken together with shares held by persons acting in concert with him, carry 30% or more of the voting rights of the company or where any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights, acquires in any six (6) month period additional shares carrying more than 1% of the voting rights, such person must make an offer for all the remaining shares in the company in accordance with the Code.

Shareholders who are in doubt as to their position including obligations if any under the Code in connection with any acquisition and exercise of Warrants under the Bonus Warrants Issue should consult their professional advisers.

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

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

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

Names of Directors	Designation	Addresses of Directors
Bertie Cheng Shao Shiong	Independent and Non-Executive Chairman	19 Lemon Avenue Lucky Park Singapore 277818
Tan Boen Eng	Independent and Non-Executive Director	173 Carpmael Road Singapore 429912
Lee Ah Fong	Independent and Non-Executive Director	635 Ang Mo Kio Avenue 6 #10-5121 Singapore 560635
Gn Hiang Meng	Independent and Non-Executive Director	102 Duchess Avenue #02-01 Duchess Residences Singapore 266310
Phua Chian Kin	Group Chief Executive and Managing Director	285D Toh Guan Road #17-66 Singapore 604285
Saw Chin Choo	Executive Director	66 Bayshore Road #03-04 Bayshore Park Singapore 469985
Phua Boon Kin	Executive Director	8 Jalan Rama Rama #14-02 Papillon Singapore 329089

Advisers

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

Issue Manager	:	Not applicable as no issue manager was appointed
Underwriter	:	Not applicable as the Warrants are issued free
Legal Adviser in relation to the Bonus Warrants Issue	:	Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624

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

Registrars and Agents

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

Share Registrar and Warrant Agent	:	B.A.C.S. Private Limited 63 Cantonment Road Singapore 089758
Transfer Agent	:	Not applicable
Receiving Banker	:	Not applicable

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

PART III – OFFER STATISTICS & TIMETABLE

Offer Statistics

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

Method of Offer	:	Bonus Warrants Issue
Number of Warrants	:	Up to 197,210,288 Warrants
Basis of Allotment	:	The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of two (2) Warrants for every five (5) existing Shares held by or, as the case may be, standing to the credit of the Securities Accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
Status of Warrants	:	Each Warrant carries the right to subscribe for one (1) New Share at the Exercise Price of S\$0.25 per New Share. The New Shares will upon allotment and issue, rank <i>pari passu</i> in all respects with existing Shares of the Company, save that the New Shares will not be entitled to any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the New Shares.

Method and Timetable

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

Please see paragraphs 3 to 7 of this Part III below.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
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Basis of Allotment	:	The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of two (2) Warrants for every five (5) existing Shares held by or, as the case may be, standing to the credit of the Securities Accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Terms and conditions of Bonus Warrant Issue : The terms and conditions of the Bonus Warrants Issue, including method of payment of the Exercise Price and the names and addresses to whom payment is to be submitted, are found in Appendix I to this Offer Information Statement.

Circumstances under which the offer period may be modified : As at the Latest Practicable date, it is not anticipated that the period for which the Bonus Warrants Issue will be kept open will be extended or shortened. The Company also does not expect the timetable under the section entitled "Indicative Timetable of Key Events" on page 11 of this Offer Information Statement to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

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

The Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Warrants. The terms and conditions of the Bonus Warrants Issue, including method of payment of the Exercise Price and time limit for paying up, are found in Appendix I to this Offer Information Statement.

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

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

The Warrants will be allotted to the Entitled Shareholders by crediting the allotments to Entitled Depositors or through the despatch of Warrants Certificate(s) to Entitled Scripholders. In the case of Entitled Scripholders, the Warrant Certificate(s) representing such number of Warrants will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as registered with the Share Registrar.

The Company will announce the date on which (a) the Warrant Certificates are despatched, and (b) the Warrants are credited into the relevant Securities Accounts (as the case may be) through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

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

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

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

- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**
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The Warrants are issued free on the basis of two (2) Warrants for every five (5) existing Shares held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. There will not be excess applications.

Further information on the terms and conditions of the Warrants is set out in Appendix I of this Offer Information Statement.

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PART IV – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
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Please see information set out in paragraphs 2 to 7 of this Part IV below.

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

As the Warrants are issued free, there will be no immediate proceeds from the Bonus Warrants Issue. Assuming all the Warrants issued are exercised within the Exercise Period, the Company will receive gross proceeds of approximately S\$49.3 million. The estimated net proceeds from the exercise of the Warrants is approximately S\$49.2 million (the “**Net Proceeds**”), after deducting professional fees as well as related expenses amounting to an aggregate of approximately S\$0.1 million in connection with the Bonus Warrants Issue.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.
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The Company intends to utilise the Net Proceeds for general corporate purposes, including refinancing of existing borrowings and financing of working capital, acquisition, investment and capital expenditure requirements of the Group as the Directors may deem fit. The percentage allocation for each intended use cannot be determined at this moment. The Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviations therefrom in its annual report.

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Group.

The Directors believe that the Bonus Warrants Issue provides a means to the Company to raise funds for the Group's business activities and operations in the future and that the Bonus Warrants Issue is intended to reward the Entitled Shareholders by providing them with an opportunity to increase their equity participation in the Company through the exercise of the Warrants. As the Warrants will be offered free to all the Entitled Shareholders, in the reasonable opinion of the Directors, there is no minimum amount that must be raised by the Bonus Warrants Issue. The amount of proceeds to be raised from the Bonus Warrants Issue is subject to the exercise of the Warrants by Entitled Shareholders. There is no assurance that all the Warrants issued would be exercised in full.

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

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

As the Warrants are issued free, there will be no immediate proceeds from the Bonus Warrants Issue.

As the Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Warrants and the exercise period for the Warrants commences on and includes the date of issue of the Warrants and expires at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Warrants will depend on when and the extent to which such Warrants are exercised. As and when the Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for general corporate purposes, including refinancing of existing borrowings and financing of working capital, acquisition, investment and capital expenditure requirements of the Group as the Directors may deem fit.

- 5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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Not applicable. The proceeds of the Bonus Warrants Issue will not be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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As the Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Warrants and the exercise period for the Warrants commences on and includes the date of issue of the Warrants and expires at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Warrants will depend on when and the extent to which such Warrants are exercised. As and when the Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for general corporate purposes, including refinancing of existing borrowings and financing of working capital, acquisition, investment and capital expenditure requirements of the Group as the Directors may deem fit.

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

7. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
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As the Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Warrants and the exercise period for the Warrants commences on and includes the date of issue of the Warrants and expires at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Warrants will depend on when and the extent to which such Warrants are exercised. As and when the Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for general corporate purposes, including refinancing of existing borrowings and financing of working capital, acquisition, investment and capital expenditure requirements of the Group as the Directors may deem fit.

8. **In the section containing the information and referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**
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Not applicable. The Bonus Warrants Issue is not underwritten and no underwriters, placement or selling agents have been appointed in relation to the Bonus Warrants Issue.

Information on the Relevant Entity

9. **Provide the following information:**
- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**
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Registered address and principal place of business	:	Block 2024 Bukit Batok Street 23 #03-48 Singapore 659529
Telephone	:	(65) 6561 1066
Facsimile	:	(65) 6565 1738

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

- (b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;
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Overview

The Group was incorporated on 15 August 2000 as TEE International Pte Ltd and subsequently converted to a public company limited by shares in March 2001, changing its name to the present in the process. However, its business origin can be traced back to the formation of a general trading company under the name of Trans Equatorial Enterprises (SEA) Pte Ltd (“**Trans SEA**”) in August 1980. Trans SEA became a general electrical company and was renamed as Trans Equatorial Engineering (SEA) Pte Ltd on 27 July 1991. Subsequent to a management buy-out led by Mr Phua Chian Kin, the company was later renamed Trans Equatorial Engineering Pte Ltd (“**Trans**”) on 25 October 1994. The Group was formed as part of a corporate restructuring where Trans became the principal subsidiary of the Group in 2001 in preparation for listing of the Group.

The Group was listed on the Stock Exchange of Singapore Dealing and Automated Quotation System on 22 March 2001. It has since expanded its commercial interests to include engineering, estate and facilities management as well as property development and transferred its listing to the Main Board of the SGX-ST on 3 September 2008.

As an established engineering group in Singapore and the surrounding region, the Group focuses on bidding and securing large-scale and high value engineering contracts. Through its engineering division, the Group provides a full suite of specialised engineering services. Among some of the notable projects delivered to date include the electrical installation to the north podium, south podium, and theatre of Marina Bay Sands Integrated Resorts and the mechanical and electrical (“**M&E**”) fit-outs of Asia Square Tower I. As a testament to the Group’s work quality and its ability-to-deliver, about 70% of the Group’s clients are repeat clients. The Group counts amongst its major clients the likes of SMRT, CapitalLand, Citibank, Las Vegas Sands Group, Changi Airport Group and Hyundai.

Leveraging on its success in its engineering division, the Company through its subsidiaries, expanded into the real estate sector in 2006 by designing, building and leasing an aerospace facility in Changi to the Nordam Group, the largest privately held Federal Aviation Administration approved repair station in the world for composite aircraft structures. In 2008, the Company through its subsidiary, expanded into estate and facilities management when it designed, built and managed the worker’s dormitory for Marina Bay Sands in Singapore. The Company through its subsidiary, Oscar Estate Management Co. Ltd. (“**OEM**”) also manages the Rom Klao Estate in Thailand, a housing development project for the National Housing Authority of Thailand. On 18 December 2012, the Company incorporated a wholly-owned subsidiary, TEE Land Private Limited in Singapore which was then converted to a public company limited by shares on 23 May 2013 and changed its name to TEE Land Limited. On 6 June 2013, TEE Land was successfully listed on the Main Board of the SGX-ST, raising net proceeds of approximately S\$57.8 million at its initial public offering.

Meanwhile, key markets in Asia Pacific are opening up for new investments with increasing demand in sectors such as tourism and infrastructure. With the Group’s experience in large-scale engineering projects and its track record in facilities management, the Group has started to be more involved in infrastructure-related projects within the Asia Pacific market. It is currently building the Bertam DAF Phase 2 Water Treatment Plant in Malaysia, and constructing 1,500 affordable houses in Brunei Darussalam. In addition to these, investment into infrastructure and infrastructure-related projects will enable the Group to earn long-term recurring income which will help to balance the effects of the cyclical nature of large-scale engineering projects. For this reason, the Group invested through its 49% joint venture partner in Thailand into Global Environmental Technology Co. Ltd (“**GETCO**”), one of Thailand’s largest waste water treatment companies with a capacity of 50 million litres per day. Going forward, the Group believes it is well positioned to provide a total infrastructure solution in the region for water and energy resources.

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Over the years, the Group has established a strong track record in delivering quality and value-added services by providing integrated solutions to its clients. With its strong brand position, the Group has been able to secure prominent projects both locally and regionally. The Group strives to be a leading integrated engineering, infrastructure and real estate group recognised for its quality and value-added services, cost competitiveness, and people with a devotion to quality service delivery and tenacity to face challenges.

Engineering Business

Since 1991, the Group has been an engineering service provider for office and commercial buildings, institutional buildings, factories, residential apartments as well as infrastructure facilities (“**Engineering Business**”).

The types of engineering services undertaken by the Group includes electrical engineering, mechanical engineering, fire protection system, sanitary and plumbing, extra low voltage system, system integration, civil and structure works, building and architecture works and interior design works. The Group has a professional and technical department to provide design and build package as well as project management to provide total engineering solutions to meet its client’s requirements.

The Group’s major clients over the years include SMRT, CapitaLand, Citibank NA, Las Vegas Sands Group, Changi Airport Group, National University of Singapore, Nanyang Technological University, Hyundai Engineering and Construction etc. More than 70% of its clients are repeat clients, which bear testimony to the Group’s work quality and ability to deliver.

Real Estate Business

The Group also has an established track record in delivering quality and well-designed residential property developments in Singapore (“**Real Estate Business**”) via a majority owned listed subsidiary, TEE Land. Its property development projects are pre-dominantly freehold in tenure and are targeted at middle-to-high income consumers who value exclusivity in good locations. Whilst TEE Land continues to specialise in residential property developments, TEE Land is expanding into commercial and industrial property development projects. Leveraging on its experience and expertise in property development in Singapore, TEE Land has also extended its geographical reach to Malaysia, Thailand, Vietnam and New Zealand. By incorporating its expertise from the Group’s Engineering Business, TEE Land value adds to property development a more effective project management system via executing project construction in both residential and commercial developments.

While TEE Land seeks to undertake more property development projects on its own, it remains open to strategic partnerships and joint ventures to co-operate with like-minded partners of complementary strengths to enhance the future growth of TEE Land.

The culmination of the Group’s experience in property development and facilities management has also enabled the Group through TEE Land to foray into Christchurch, New Zealand to own, develop and operate midterm workers accommodation to serve the local community as the city embarks on its rebuilding process post the 2011 earthquake. The plan is to convert the workers’ accommodation into retirement villages in the future.

The Group’s Real Estate Business continues to gain traction both in terms of sales and acquisition of land bank for future growth. This Real Estate Business is part of the Group’s industry diversification strategy and is a natural extension stemming from the Group’s vast experience and expertise in its Engineering Business.

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Infrastructure and Infrastructure-Related Businesses

The rapid economic growth over the last few years in Asia Pacific has put increasing demands on the region's supporting infrastructure and is opening up markets for new investments. With the Group's experience in large-scale engineering projects and its track record in facilities management, investing into infrastructure projects and assets ("**Infrastructure and Infrastructure-Related Businesses**") is a natural extension of and complementary to its Engineering Business. On 31 October 2013, the Group established a wholly-owned subsidiary, TEE Infrastructure Private Limited ("**TEE Infrastructure**") to offer comprehensive sustainable solutions to meet demands for integrated infrastructure, utilities and environmental services throughout Asia Pacific. This includes the delivery of engineering services across the full life cycle, from project feasibility and funding advisory through design and build, to funding, operate and maintenance. TEE Infrastructure is actively seeking to expand its portfolio of infrastructure assets through acquisitions of mature assets and development of greenfield projects across Asia Pacific.

Since 2001, the Group through OEM has been managing Rom Klao Estate, a residential estate in Bangkok comprising of 2,431 units of flats for the National Housing Authority of Thailand.

On 6 June 2011, the Group acquired 49% of GETCO through a joint venture partner in Thailand. GETCO is one of Thailand's largest waste water treatment companies, with a capacity of 50 million litres per day, serving commercial, industrial, business and residential communities. Located in the Bang Poo Industrial Estate, one of the largest and oldest industrial estates in Samut Prakan province (45km off from Bangkok) in Thailand, GETCO has received a 30-year build, own, operate and transfer concession from the Industrial Estate Authority of Thailand on 1 December 1999, and the concession will expire on 30 November 2029.

As the Infrastructure and Infrastructure-Related Businesses can potentially open up access to real estates, it is possible for the Infrastructure and Infrastructure-Related Businesses to add value to the Real Estate Business and enhance the synergy of all three businesses of the Group.

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- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since:-**
- (i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
 - (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**
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The general development of the business of the Group from FY2011 to the Latest Practicable Date is set out below. The information included in this section has been extracted from the relevant announcements released by the Company via SGXNET and is correct as at the date of the relevant announcements. Shareholders are advised to refer to the relevant announcements for further information.

Key Developments in FY2011

- (a) On 25 June 2010, the Company announced the use of S\$1.27 million in net proceeds from the subscription of its warrants issue. The net proceeds were deployed for its acquisition of the land at Ramkhamhaeng Road in Bangkok, Thailand by its associate company, Chewathai Ltd.
- (b) On 25 June 2010, the Company announced that its wholly-owned subsidiary, TEE Management Pte Ltd had entered into a deed of revocation in relation to the revocation and rescindment of a memorandum of understanding with Taman Tasik Gemilang Sdn Bhd.

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- (c) On 31 August 2010, the Company announced that it had been awarded two engineering contracts from the National University Hospital (S) Pte Ltd and Citibank NA, Citi Realty Services – Singapore, in Singapore with a total value of S\$54.2 million.
- (d) On 2 September 2010, the Company announced that its wholly-owned subsidiary, PBT Engineering Pte Ltd, had taken over the Marina Bay Sands Workers' Dormitory and operated it for a period of nine (9) months. In addition, the Company was expected to receive the recurrent income of S\$3.8 million from the leasing of the NORDAM Industrial Building in Changi North Crescent in Singapore as well as S\$1.3 million from the estate management of the Rom Klao Estate for the National Housing Authority in Thailand.
- (e) On 13 September 2010, the Company announced the acquisition of 45% interest in Development 26 Pte. Ltd. by its wholly-owned subsidiary, TEE Development Pte Ltd.
- (f) On 14 September 2010, the Company announced that it had exercised its option to purchase a freehold site at East Coast Road site for a purchase consideration of S\$11.38 million.
- (g) On 15 September 2010, the Company announced that its wholly-owned subsidiary, PBT Engineering Pte Ltd, had increased its issued and paid up capital from S\$3 million to S\$6.5 million with an additional share allotment of 3,500,000 shares of S\$1.00 each to the Company.
- (h) On 11 October 2010, the Company announced that its 45% owned associate company, Development 26 Pte Ltd, held through its wholly-owned subsidiary, TEE Development Pte Ltd., had exercised the option to acquire the freehold property at 5 Lorong 26 Geylang, Singapore 398480 for a total cash consideration of S\$28 million.
- (i) On 13 October 2010, the Company announced that it had been selected by the Brunei Economic Development Board as the main contractor to design and build a 1,500 unit residential development consisting of semi-detached and terraced units at the Tutong District, Kampong Bukit Beruang, Brunei Darussalam, for a contract value of BND147.5 million.
- (j) On 21 October 2010, the Company announced that it had signed a letter of acceptance to build 1,500 houses within 18 months in Tutong District under the National Housing Scheme of Brunei Darussalam, for a contract value of BND147.5 million. The Company's total outstanding order book for engineering projects totalled to approximately S\$388.7 million.
- (k) On 1 November 2010, the Company proposed a subdivision of each ordinary share in the capital of the Company into two (2) ordinary shares in the capital of the Company ("**Share Split**").
- (l) On 28 November 2010, the Company announced that it had signed a joint venture agreement with Khang Viet Co. Ltd, an established property developer in Ho Chi Minh City, Vietnam, to jointly undertake the development of 37 luxury villas on a 6,028 square metre piece of land in District 9, Ho Chi Minh City, with a total project investment valuation at S\$8.5 million. The Company would hold a 65% stake in the new joint venture company and make a capital contribution of S\$3.8 million towards the luxury villa development.
- (m) On 29 November 2010, the Company announced that its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd, had increased its investment in its subsidiary company in Brunei, PBT Engineering Sdn Bhd by 499,900 ordinary shares at BND1.00 each.
- (n) On 27 December 2010, the Company announced the notice of adjustments to its existing warrants in connection with the Share Split and effective date for such adjustment.

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

- (o) On 13 January 2011, the Company announced that it had invested in a new wholly-owned subsidiary, TEE Property Pte. Ltd., which was incorporated in Singapore with the initial issued and paid-up capital of S\$1.00 and with its principal activity as property development.
- (p) On 20 January 2011, the Company announced that it had invested in a new wholly-owned subsidiary, Development 83 Pte. Ltd., which was incorporated in Singapore with the initial issued and paid-up capital of S\$1.00 and with its principal activity as real estate development.
- (q) On 10 March 2011, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., had signed a memorandum of undertaking with Unique Realty Pte. Ltd., Heeton Homes Pte. Ltd., Kim Seng Heng Realty Pte. Ltd. and Zap Piling Pte. Ltd.. Pursuant to the memorandum of undertaking, TEE Realty Pte. Ltd., Heeton Homes Pte. Ltd., Kim Seng Heng Realty Pte. Ltd. and Zap Piling Pte. Ltd. agreed to invest 20%, 40%, 25%, and 15% respectively in the share capital of Unique Realty Pte Ltd. Unique Realty Pte Ltd had tendered and been awarded the tender for the purchase of the property known as MacPherson Green at 568 & 570 Macpherson Road Singapore 368236 & 368237 for S\$105 million.
- (r) On 10 March 2011, the Company announced that its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd, was awarded two engineering contracts as follows: (i) Asia Square Tower #2 - contract for Enabling Works of the Proposed 46-Storey Commercial/Hotel with Shops and Restaurants at 1st and 2nd Storey, awarded by Hyundai Engineering & Construction Co., Ltd, and (ii) Contract for Appointment of MEP Contractor for South Crystal Pavilion @ Marina Bay Sands, awarded by Kraze Entertainment (S) Pte Ltd. The contracts totalled to S\$3,015,000.
- (s) On 11 March 2011, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., had signed a memorandum of understanding with Heeton Homes Pte. Ltd., Kim Seng Heng Realty Pte. Ltd. and Residenza Pte. Ltd.. Pursuant to the memorandum of understanding, TEE Realty Pte. Ltd., Heeton Homes Pte. Ltd. and Kim Seng Heng Realty Pte. Ltd. agreed to invest 32%, 36% and 32% respectively in the share capital of Residenza Pte. Ltd.. Residenza Pte. Ltd. had on 9 March 2011 entered into a sale and purchase agreement to acquire of all the units in the property known as Camay Court located at Lot No. 6398K Mukim 26 together with all the common property in Strata Title Plan No. 1285 for S\$30.5 million.
- (t) On 23 March 2011, the Company announced that its wholly-owned subsidiary, TEE Property Pte. Ltd., had entered into a conditional joint venture agreement with Heeton Venture (China) Pte. Ltd. and Kim Seng Heng Realty Pte Ltd to own shareholdings of 20%, 60% and 20% of the entire issued and paid-up share capital of KSH (China) Venture Pte. Ltd. respectively. An aggregate sum of S\$25 million will be injected into the joint venture in accordance with the respective shareholdings of the shareholders, by way of a sum of S\$1 million to be contributed in cash towards the share capital of the joint venture company, with the remaining sum of S\$24 million to be provided by way of shareholders' loans to the joint venture company.
- (u) On 29 March 2011, the Company announced the completion of the joint venture agreement dated 23 March 2011 and entered into between TEE Property Pte. Ltd., Kim Seng Heng Realty Pte Ltd, and Heeton Venture (China) Pte. Ltd., in relation to the establishment of KSH (China) Venture Pte. Ltd..
- (v) On 18 April 2011, the Company announced that it had signed a joint venture agreement with CMC Engineering Sdn Bhd on 14 April 2011 to jointly incorporate a joint venture company on a 50:50 basis, with an initial registered capital of RM100,000 divided into 100,000 ordinary shares of RM1.00 each and which will be involved in telecommunication engineering industry.

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- (w) On 20 April 2011, the Company soft launched its luxury residential development, The Boutiq, at 143/145 Killiney Road as part of a consortium comprising Heeton Holdings, KSH Holdings, and the Company with the respective 45%, 35% and 20% stakes in the development project.
- (x) On 25 April 2011, the Company announced that its wholly-owned subsidiaries, Trans Equatorial Engineering Pte Ltd and PBT Engineering Pte Ltd, had been awarded with two engineering contracts from Citibank NA – Singapore, as follows: (i) the Main Contract for Infrastructure Package – Phase 1 for Proposed Citi-Plan Office Project at Asia Square Singapore, and (ii) the Fit-Out Works of Changi Business Park Block 2 Level 4. The contract value totalled to approximately S\$11.08 million.
- (y) On 4 May 2011, the Company announced that its wholly-owned subsidiary, TEE M&E Engineering Sdn Bhd had been awarded the Project Bertam DAF Phase 2 Water Treatment Plant, Durian Tunggal, Melaka, Package 2 Construction and Completion of 120Mld Bertam DAF Phase 2 Water Treatment Plant through a joint venture arrangement with Perkasa Sutera Sdn Bhd. The aggregate contract value of the Project was RM63.3 million (approximately S\$26.4 million).
- (z) On 12 May 2011, the Company announced that it had established a new wholly-owned subsidiary, TEE Homes Pte. Ltd., which was incorporated in Singapore with the initial issued and paid-up capital of S\$1.00. The principal activity of TEE Homes Pte. Ltd. is real estate development.
- (aa) On 13 May 2011, the Company announced that its wholly-owned subsidiary, TEE Homes Pte. Ltd. had exercised the option to purchase the freehold site comprised in Lot 98716L Mukim 26 together with the building thereon known as 91 Marshall Road, Singapore 424887 at a purchase price of S\$13.3 million.

Key Developments in FY2012

- (a) On 2 June 2011, the Company through its joint venture company, CMC Communications Sdn Bhd, acquired 80% interest in Trisilco Folec Pte Ltd (“**TFPL**”) together with its subsidiary, Trisilco Folec Philippines Inc, (“**TFPI**”, and collectively with TFPL, the “**TFPL Group**”), and Keppel Communications (Thailand) Co., Ltd. (“**KCT**”) for the purchase consideration comprising cash of S\$791,000 and S\$639,000 respectively taking into account the cash in bank and less certain payables of TFPL Group and KCT for the period ended 30 April 2011.
- (b) On 7 June 2011, the Company acquired GETCO through Chewathai Ltd, which entered into a sales and purchase agreement to acquire 1,600,000 ordinary shares in the capital of GETCO for the purchase consideration of THB240 million (which was equivalent to approximately S\$9,727,200 based on the exchange rate of 0.04053). The aggregate investment by the Group was approximately S\$4,766,328 and it was funded by way of the internal resources and bank borrowings of the Company.
- (c) On 9 June 2011, the Company announced that its wholly-owned subsidiary, TEE Homes Pte. Ltd., had increased its issued and paid up capital to S\$1 million with an additional share allotment of 999,999 shares at S\$1.00 each. The allotment was satisfied by cash consideration.
- (d) On 30 June 2011, the Company announced that its wholly-owned subsidiary, Development 83 Pte. Ltd., had exercised the options to purchase the Octaville site at 79, 79A, 79B, 81, 81A, 81B, 83, 83A and 83B Duku Road for a total purchase consideration of S\$9.8 million, which would be financed by internal funds and bank borrowings.

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- (e) On 19 July 2011, the Company announced that it had been awarded the contract for Fit-out Works for Citi Block 2 Level 2 and 3 by Citibank NA Singapore. The Company also announced that its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd, had been awarded the following contracts: (i) Proposed M&E Work to Level 18, 19 & 20 Asia Square Tower 1, awarded by Tarkus Interiors Pte Ltd, and (ii) the Mechanical and Electrical Package for Proposed Citi-Plan Project at Asia Square Tower 1, Level 16, 17 and 21, awarded by Citibank NA Singapore. Total contract sums were valued at approximately S\$17.4 million.
- (f) On 21 July 2011, the Company announced that it had incorporated a wholly-owned subsidiary, TEE Vietnam Company Limited. TEE Vietnam Company Limited had registered a total investment capital of 20 billion Vietnamese Dong (equivalent to approximately US\$1 million), in which the charter capital was 10 billion Vietnamese Dong (equivalent to approximately US\$500,000). The principal activities of TEE Vietnam Company Limited are engineering services, general construction work for civil engineering, building completion and finishing work, and electrical installation work.
- (g) On 1 September 2011, the Company announced that it had increased the issued and paid-up capital of its wholly-owned subsidiary, TEE Realty Pte. Ltd., to S\$3 million with an additional share allotment of 2,000,000 shares at S\$1.00 each.
- (h) On 8 September 2011, the Company announced that its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd, and the Company's associates, Trisilco Folec Pte. Ltd. and CMC Communications (Thailand) Co., Ltd. (formerly known as Keppel Communications (Thailand) Co., Ltd.), had been awarded the five projects, amounting to a total contract value of approximately S\$6.4 million.
- (i) On 21 September 2011, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd. had participated in a consortium with Kim Seng Heng Realty Pte Ltd, Heeton Homes Pte. Ltd. and Zap Piling Pte. Ltd., to hold shareholdings of 20%, 35%, 35% and 10% of the entire issued and paid-up share capital of Unique Consortium Pte. Ltd. respectively (the "**Consortium JV Co**"). The Consortium JV Co had entered into a Memorandum of Understanding with Oxley Holdings Limited in acquiring 35% equity interest in Oxley Viva Pte. Ltd., ("**Oxley Viva**") a Singapore incorporated company wholly-owned by Oxley Holdings. With the completion of the acquisition, the effective interest of TEE Realty Pte. Ltd. in Oxley Viva would be 7%. The Company participated in the tender for a property, located at West Coast Way in Singapore via the Consortium JV Co for the purchase price of S\$171.1 million.
- (j) On 22 September 2011, the Company announced that it had made an offer to acquire a piece of 5.95 acres commercial land located at HS(D) 7051, PT12059, Mukim Dengkil, Daerah Sepang, State of Selangor, Malaysia. The signing of a sale and purchase agreement between the Company and the vendor had to be carried out on or before 17 October 2011.
- (k) On 13 October 2011, the Company announced that its subsidiary, TEE M&E Engineering Sdn Bhd, had been awarded the Kelana Jaya LRT extension project in Kuala Lumpur for the Supply of the Power Distribution System with the contract value of RM78,440,000 (approximately S\$31,846,640).
- (l) On 25 November 2011, the Company announced that Unique Consortium Pte. Ltd., its 20% owned associated company held by its wholly-owned subsidiary, TEE Realty Pte. Ltd., had entered into a formal joint venture agreement with Oxley Viva Pte. Ltd., Oxley Holdings Limited, and Goldprime Investment Pte. Ltd.. Unique Consortium Pte. Ltd., Oxley Holdings Limited, and Goldprime Investment Pte. Ltd. were holding 35%, 55% and 10% of the equity interest in Oxley Viva Pte. Ltd. respectively. Oxley Viva Pte. Ltd. shall carry on the business of redeveloping Hong Leong Garden Shopping Centre at West Coast Way in Singapore, for sale and shall undertake any activities incidental to such business.

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- (m) On 9 December 2011, the Company announced that its joint venture company, Unique Capital Pte. Ltd., had entered into a shareholders' agreement with Mr. Chen Chew Yen and Futuris Investment Pte. Ltd. to acquire 40% equity interest in Mountbatten Edge Pte. Ltd. ("MEPL"). The principal activities of MEPL are property development and commercial and industrial real estate management.
- (n) On 6 February 2012, the Company announced that its wholly-owned subsidiary, PBT Engineering Pte Ltd, and the Company's associates, CMC Communications Sdn Bhd and CMC Communications (Thailand) Co., Ltd. had been awarded five projects, amounting to a total contract value of approximately S\$12.7 million. These included Additions & Alteration works and telecommunication projects.
- (o) On 9 March 2012, the Company announced that its joint venture company, Unique Capital Pte. Ltd. had intended to enter into a formal agreement with Oxley Holdings Limited and Goldprime Investment Pte. Ltd., each an unrelated party, pursuant to which Unique Consortium Pte. Ltd., Oxley Holdings Limited and Goldprime Investment Pte. Ltd. shall participate in the share capital of Oxley YCK Pte. Ltd. in the proportion of 35:55:10 respectively, for the redevelopment of the property located at 2A/B to 20A/B Cactus Road in Singapore. The purchase price of the Property was valued at S\$96,188,000.
- (p) On 12 March 2012, the Company announced that its wholly-owned subsidiaries, PBT Engineering Pte Ltd and Trans Equatorial Engineering Pte Ltd, were awarded two new projects amounting to a total contract value of approximately S\$58.4 million. These contracts included additions and alterations and mechanical & engineering works.
- (q) On 1 April 2012, the Company announced that it had been informed by Mr. Bertie Cheng Shao Shiong, the Independent and Non-Executive Chairman of the Company, and Mr. Phua Chian Kin, the Group Chief Executive and Managing Director, that they were assisting the Commercial Affairs Department with its investigations on possible contravention of market rigging provisions under the Securities and Futures Act.

Key Developments in FY2013

- (a) On 21 August 2012, the Company announced the promotion and addition of key senior management members to strengthen its key management team as the Group geared up for the next phase of growth.
- (b) On 22 August 2012, the Company announced that it had incorporated a new wholly-owned subsidiary, Development 72 Pte. Ltd., with the initial issued and paid-up capital of S\$1.00. The principal activity of Development 72 Pte. Ltd. is real estate development.
- (c) On 23 August 2012, the Company announced that its wholly-owned subsidiary, Development 72 Pte. Ltd., had successfully exercised the options to purchase Hillside Gardens at 64, 66, 68, 70, 72, 74, 76, 78 and 80 Hillside Drive, Hillside Gardens, for a total purchase consideration of S\$18.5 million.
- (d) On 28 August 2012, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., intended to enter into a formal agreement and participate in a joint venture with Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd., Futuris Holding Pte. Ltd. and Zap Piling Pte. Ltd., pursuant to which each of TEE Realty Pte. Ltd., Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd., Futuris Holding Pte. Ltd. and Zap Piling Pte. Ltd. would own shareholdings of 35%, 35%, 15%, 10% and 5% of the entire issued and paid-up share capital of KSH Property Premier Pte. Ltd. ("KSHPP") respectively. KSHPP had on 27 August 2012 been awarded the tender for the collective purchase of all the units and the common property in the development known as Sam Leong Mansion comprised in Lot 1048A of TS 17 at a purchase price of S\$40,308,000.

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- (e) On 31 August 2012, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., had established a new wholly-owned subsidiary, TEE Residence Pte. Ltd., with the initial issued and paid-up capital of S\$1.00. The principal activity of TEE Residence Pte. Ltd. will be in real estate development.
- (f) On 3 September 2012, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., intended to enter into a formal agreement and participate in a joint venture with Kim Seng Heng Realty Pte. Ltd. and Heeton Homes Pte. Ltd. to form TEE Residence Pte. Ltd. with the shareholdings of 45%, 45% and 10% of the entire issued and paid-up share capital of TEE Residence Pte. Ltd. respectively. TEE Residence Pte. Ltd. had exercised the options to purchase the freehold property at 48/A, 50/A, 52/A, 54/A, 56/A, 58/A and 60/A Lorong 32, Geylang, Singapore at a purchase price of S\$22,600,000.
- (g) On 24 September 2012, the Company announced that its wholly-owned subsidiary, TEE Property Pte. Ltd., had acquired a 20% interest in the share capital of TEE Resources Sdn Bhd, a subsidiary of the Company.
- (h) On 24 September 2012, the Company announced that it had increased the investment in the charter capital of TEE Vietnam Company Limited, a wholly-owned subsidiary of the Company, to 1,495,880,833 Vietnamese Dong (equivalent to approximately US\$70,000).
- (i) On 8 October 2012, the Company announced that its wholly-owned subsidiary, TEE Resources Sdn Bhd, had acquired a piece of commercial land, which was held under HS(D) 7051, P.T. No. 12059, Mukim Dengkil, District of Sepang, State of Selangor, Malaysia, for a total purchase consideration of RM32.1 million.
- (j) On 19 October 2012, the Company announced its wholly-owned subsidiary, TEE Realty Pte. Ltd., had entered into a formal joint venture agreement with Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd. and Development 32 Pte. Ltd. (formerly known as TEE Residence Pte. Ltd.). Pursuant to the joint venture agreement, each of TEE Realty Pte. Ltd., Kim Seng Heng Realty Pte. Ltd. and Heeton Homes Pte. Ltd. agreed to hold 45%, 45% and 10% of the entire issued and paid-up share capital of Development 32 Pte. Ltd. respectively.
- (k) On 23 October 2012, the Company announced the soft launch of Sky Green, a joint venture residential development with Heeton Holdings Limited, KSH Holdings Limited and Zap Piling Pte. Ltd..
- (l) On 5 November 2012, the Company announced that it had established a new wholly-owned subsidiary, TEE Hong Kong Limited, with a total authorised capital of HKD10,000 with the initial issued and paid-up capital of HKD1.00.
- (m) On 7 November 2012, the Company announced that its wholly-owned subsidiary, Development 72 Pte. Ltd., had increased its issued and paid-up capital to S\$1 million through an additional share allotment of 999,999 shares at S\$1.00 each.
- (n) On 9 November 2012, the Company announced that its wholly-owned subsidiary, TEE Resources Pte. Ltd., had entered into a memorandum of understanding with Ayeyarwaddy Cement Co., Ltd, a subsidiary of A1 group of companies, which is one of the leading and largest conglomerates in Myanmar, to develop and operate a Fully Integrated Cement Plant to manufacture Portland cement for sale in Myanmar.
- (o) On 12 November 2012, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., had incorporated a company, Unique Wellness Pte. Ltd. with four other partners, Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd., ZAP Piling Pte. Ltd. and Futuris Capital Pte. Ltd., with the principal activity in real estate activities and investment holding.

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- (p) On 14 November 2012, the Company announced its proposed spin-off of its subsidiaries in the real estate business and a listing of its real estate business on the Main Board of the SGX-ST.
- (q) On 6 December 2012, the Company announced that its wholly-owned subsidiary, PBT Engineering Pte Ltd, was awarded three projects, amounting to a total contract value of approximately S\$30.4 million. These included additions and alterations and construction works.
- (r) On 18 December 2012, the Company established a new wholly-owned subsidiary, TEE Land Private Limited. TEE Land Private Limited would be the holding company for the subsidiaries in the real estate business in connection with the proposed listing. TEE Land Private Limited was incorporated in Singapore with an initial issued and paid-up capital of S\$1.00. The principal activity of TEE Land Private Limited is real estate development and investment holding.
- (s) On 11 January 2013, the Company announced that its wholly-owned subsidiary, TEE Realty Pte. Ltd., had entered into a formal joint venture agreement with Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd., Futuris Holding Pte. Ltd., Zap Piling Pte. Ltd. and Unique Commercial Pte. Ltd. (formerly known as KSH Property Premier Pte. Ltd.). The issued and paid-up share capital of Unique Commercial Pte. Ltd. was S\$10,000, with each of TEE Realty Pte. Ltd., Kim Seng Heng Realty Pte. Ltd., Heeton Homes Pte. Ltd., Futuris Holding Pte. Ltd. and Zap Piling Pte. Ltd. holding 35%, 35%, 15%, 10% and 5% of the entire issued and paid-up share capital of Unique Commercial Pte. Ltd. respectively.
- (t) On 11 January 2013, the Company announced that its associated company, Chewathai Ltd, had acquired a piece of industrial land, with the Title deed no. 15000, located at Tambon Map Yang Phon, Amphur Pluak Daeng, Rayong Province, Thailand, for a total purchase consideration of THB46.5 million.
- (u) On 22 February 2013, the Company announced it had entered into a restructuring agreement with its wholly-owned subsidiary, TEE Land Private Limited, where TEE Land Private Limited would be the holding company for the subsidiaries in the property development business in connection with the proposed listing. TEE Land Private Limited had, based on negotiations commencing in October 2012, entered into a subscription agreement with certain investors (the “**Pre-IPO Investors**”), pursuant to which the Pre-IPO investors would subscribe for new ordinary shares in TEE Land Private Limited amounting to a total aggregate investment by the Pre-IPO Investors of S\$4 million.
- (v) On 25 February 2013, the Company announced that it had, on 22 February 2013, been granted an option by Allied Technologies Limited for the purchase of a property located at 25 Bukit Batok Street 22, Singapore 659591, for a purchase consideration of S\$9.2 million.
- (w) On 12 March 2013, the Company announced that its wholly-owned subsidiary, TEE Land Private Limited, had established a new wholly-owned subsidiary, TEE Hospitality Pte. Ltd., with its principal activity as real estate development.
- (x) On 19 March 2013, the Company announced that its wholly-owned subsidiary, TEE Land Private Limited, had established a new wholly-owned subsidiary, TEE Industrial Pte. Ltd., with its principal activity as real estate development.
- (y) On 25 March 2013, the Company announced that its wholly-owned subsidiary, TEE Land Private Limited, had established a new wholly-owned subsidiary, Development 16 Pte. Ltd., with its principal activity as real estate development.

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- (z) On 28 March 2013, the Company announced that Development 16 Pte. Ltd., its subsidiary held through TEE Land Private Limited, intended to enter into a formal agreement and participate in a joint venture with Lian Beng Group Ltd and Kim Seng Heng Realty Pte. Ltd., with each of Development 16 Pte. Ltd., Lian Beng Group Ltd and Kim Seng Heng Realty Pte. Ltd. holding 30%, 30% and 40% of the entire issued and paid-up share capital of Wealth Development Pte. Ltd. respectively. Wealth Development Pte. Ltd. had on 22 March 2013 been awarded the tender for Lots 8514V and 8515P both of Mukim 26 together with the building erected thereon and known as "AIA CHANGI", 160 Changi Road, Singapore 419728 at a purchase price of S\$68 million.
- (aa) On 2 April 2013, the Company announced that it had entered into an agreement with Yongnam Holdings Limited ("YHL") and Samwoh Corporation Pte. Ltd. ("Samwoh") for the purposes of investing into a consortium ("Consortium") with JGC Corporation and Changi Airport Planners and Engineers Pte. Ltd. to jointly participate in the submission of a tender for, and if awarded the tender to perform specified works for, the construction, management, operation and maintenance of the Hanthawaddy International Airport in Myanmar. The Company, Samwoh and YHL had each agreed to subscribe for such number of shares in the proposed investment in the Special Purpose Vehicle ("SPV") such that they will hold 25%, 25% and 50% of the issued share capital of the SPV respectively. It is intended that the SPV shall hold a maximum of 60% of effective equity interest in the Consortium.
- (bb) On 10 April 2013, the Company announced that TEE Hospitality Pte. Ltd., its wholly-owned subsidiary held through TEE Land Private Limited, intended to enter into a formal agreement and participate in a joint venture with a local partner, Artmatic Holdings Limited ("Artmatic"), to jointly acquire the Riccarton Holiday Park, an existing holiday home and convert it into a workers' temporary accommodation in Christchurch, New Zealand. TEE Hospitality Pte. Ltd. and Artmatic had successfully exercised the option to purchase Riccarton Holiday Park for a total purchase consideration of NZD6,742,000.
- (cc) On 19 April 2013, the Company announced that its wholly-owned subsidiary and the investment holding company for its real estate businesses, TEE Land Private Limited, together with its subsidiaries and associated companies, had on 18 April 2013 obtained a letter of eligibility-to-list from the SGX-ST for the listing of and quotation for all its issued ordinary shares and the new TEE Land shares to be issued pursuant to the proposed invitation on the Main Board of the SGX-ST.
- (dd) On 26 April 2013, the Company announced that its wholly-owned subsidiary, TEE Land Private Limited's wholly-owned subsidiary, Development 16 Pte. Ltd., had subscribed for 150,000 ordinary shares, satisfied by an aggregate cash of S\$150,000, in Wealth Development Pte. Ltd.. The issued and paid-up share capital of Wealth Development Pte. Ltd. was S\$500,000 with Development 16 Pte. Ltd., Kim Seng Heng Realty Pte. Ltd. and Lian Beng Group Ltd holding 30%, 30% and 40% of the entire issued and paid-up share capital of Wealth Development Pte. Ltd. respectively. As a result of the above, Wealth Development Pte. Ltd. became an associated company of the Group.
- (ee) On 2 May 2013, the Company announced that in conjunction with the proposed listing of TEE Land, TEE Land was expected to undertake a public offering of new TEE Land shares pursuant to an invitation. The Company proposed to enter into a call option and pre-emption right agreement with TEE Land, pursuant to which the Company would irrevocably grant TEE Land a right to purchase the Nordam Facility free from all encumbrances and with all rights attaching thereto.
- (ff) On 3 May 2013, the Company announced that it had entered into a sale and purchase agreement to acquire 429,275 ordinary shares issued at S\$1.00 each per share, representing 55% of the issued and paid-up share capital of Interlift Sales Pte Ltd. Interlift Sales Pte Ltd would be a subsidiary of the Company consequent to the proposed acquisition. The total consideration of S\$3,122,431.40 was calculated on an arm's length basis and negotiated and arrived on a willing-buyer and willing-seller basis.

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- (gg) On 14 May 2013, the Company announced that the restructuring exercise, which was undertaken to streamline and rationalise the group structure of TEE Land, had been completed on 13 May 2013.
- (hh) On 22 May 2013, the Company announced that a preliminary prospectus relating to the initial public offering and proposed listing of TEE Land had been lodged with the Monetary Authority of Singapore.
- (ii) On 30 May 2013, the Company announced that it had launched the initial public offering of TEE Land Limited, following the registration on 29 May 2013, by the Monetary Authority of Singapore, of the prospectus dated 29 May 2013 issued in conjunction with the invitation.
- (jj) On 30 May 2013, the Company announced that Development 16 Pte. Ltd., its wholly-owned subsidiary held through TEE Land, had entered into a joint venture agreement with Lian Beng Group Ltd, Kim Seng Heng Realty Pte. Ltd. and Wealth Development Pte. Ltd., pursuant to which Development 16 Pte. Ltd., Lian Beng Group Ltd and Kim Seng Heng Realty Pte. Ltd. had formalised their respective rights as shareholders of Wealth Development Pte. Ltd., for the redevelopment of the property located at No. 160 Changi Road, Singapore 419728.
- (kk) On 31 May 2013, the Company announced that TEE Hospitality Pte. Ltd., its subsidiary held through TEE Land, had incorporated a new wholly-owned subsidiary in New Zealand, TEE Oceania Pte Limited. TEE Oceania Pte Limited had registered an initial authorised capital of NZD100, with its principal activity being that of investment holding.

Key Developments from 1 June 2013 up to the Latest Practicable Date

- (a) On 6 June 2013, the Company announced the completion of the initial public offering of TEE Land.
- (b) On 13 June 2013, the Company announced that its wholly-owned subsidiaries, Trans Equatorial Engineering Pte Ltd and PBT Engineering Pte Ltd, were awarded six projects, amounting to a total contract value of approximately S\$49.1 million. These projects involved the design, supply, installation and commissioning of ACMV and BMS, alterations and additions, and design and building works.
- (c) On 17 June 2013, the Company announced that GETCO which is 49% owned by the Company's wholly-owned subsidiary, TEE Resources Pte. Ltd., had formed a consortium with Cisco Engineering Co., Ltd ("**CISCO**") and Lam Water Solution Co., Ltd ("**LAM**") to enter into a contract with Bangkok Metropolitan Administration to manage and control the water level at Makkasan Water Catchment area by periodically pumping water into the Chao Phaya River. The contract awarded to the consortium was worth THB209,784,600 (VAT inclusive), approximately equivalent to S\$8,607,462. GETCO, CISCO and LAM would own 30%, 50% and 20% respectively in the consortium which the Group's total effective interest is 14.7%.
- (d) On 21 June 2013, the Company announced that it had established a new wholly-owned subsidiary, TEE Engineering Private Limited ("**TEE Eng**"). TEE Eng was incorporated in Singapore with the initial issued and paid-up capital of S\$1.00. The principal activity of TEE Eng is investment holding.
- (e) On 25 June 2013, the Company announced that it had entered into a memorandum of understanding with Pioneer Environmental Technology Pte Ltd, a subsidiary of AnnAik Limited to invest in sewage treatment facilities and waste water treatment plant in Huzhou Prefecture-level City, China.

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- (f) On 13 August 2013, the Company announced that it had entered into a memorandum of understanding with Meco Phoenix Limited (“**Meco**”), which holds 99.99% of Meco Engineering Limited (“**Meco Engineering**”), with the preliminary understanding of evaluating the possibility of the Company investing in a possible acquisition from Meco a minimum of 60% of the issued capital in Meco Engineering. Meco Engineering is a mechanical and electrical engineering contractor in Hong Kong.
- (g) On 28 October 2013, the Company announced that its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd, had signed a conditional letter of intent between with Hyundai Engineering & Construction Co., Ltd. for the Marina South Mixed Development (IJV) (SION) project - Mechanical & Electrical works (ACMV Commercial, ACMV-Residential, BMS, Electrical & Fire Protection work excluding PSG work). The contract is worth approximately S\$142 million for a duration of 28 months.
- (h) On 31 October 2013, the Company announced that it had established a new wholly-owned subsidiary, TEE Infrastructure Private Limited. TEE Infrastructure Private Limited was incorporated in Singapore with the initial issued and paid-up capital of S\$1.00. The principal activity of TEE Infrastructure Private Limited is investment holding.
- (i) On 31 October 2013, the Company announced that its wholly-owned subsidiary, TEE Infrastructure Private Limited, had entered into a memorandum of understanding with Loxley Public Company Limited, a public company limited incorporated and existing under the laws of Thailand, to jointly explore opportunities to engage in energy businesses and related activities in the Greater Mekong River region.
- (j) On 29 November 2013, the Company announced that it had established a S\$350 million multicurrency medium term note programme. In connection therewith, United Overseas Bank Limited was appointed to act as lead arranger and dealer with regard to the establishment of the programme.
- (k) On 4 December 2013, the Company signed the sub-contract for the proposed mixed development at Marina South Parcels – Mechanical, Electrical, Fire Protection, IBMS/BMS and Security system works package with the joint venture contractor, Hyundai Engineering & Construction Co., Ltd. and GS Engineering & Construction Corp.
- (l) On 6 February 2014, the Company announced that its wholly-owned subsidiary, TEE Infrastructure Private Limited, had entered into a non-binding memorandum of understanding with Guangdong Wanlv Environment Engineering Co., Ltd, with the understanding of entering into a long term partnership to focus on the investment, construction, operation and financing of municipal infrastructure and environmental protection projects in Guangdong Province, China.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

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

Equity Share Capital : S\$56,151,548.80 divided into 493,025,721 Shares

Loan Capital : The Company does not have any loan capital.

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(e) where:-

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

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

Substantial Shareholders

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr. Phua Chian Kin ⁽²⁾	257,053,156	52.14	16,376,264	3.32	273,429,420	55.46
Mdm. Tay Kuek Lee ⁽²⁾	9,695,340	1.97	257,053,156	52.14	266,748,496	54.11
4 P Investments Pte. Ltd. ⁽²⁾	6,680,924	1.36	257,053,156	52.14	263,734,080	53.50
Lincoln Capital Pte. Ltd. ⁽³⁾	25,967,321	5.27	0	0.00	25,967,321	5.27

Notes:

- (1) Based on 493,025,721 issued Shares as at the Latest Practicable Date.
 - (2) Mr. Phua Chian Kin is deemed to have an interest in the 9,695,340 ordinary shares held by his spouse, Mdm. Tay Kuek Lee, and in the 6,680,924 ordinary shares held by 4 P Investments Pte. Ltd. where he is a shareholder. A total of 174,980,303 ordinary shares held by Mr. Phua Chian Kin are registered in the name of Hong Leong Finance Nominees Pte Ltd, CMB Securities (Singapore) Pte Ltd, SBS Nominees Pte Ltd, Phillip Securities Pte Ltd, Maybank Nominees (S) Pte Ltd, OCBC Nominees Singapore Pte Ltd and DMG & Partners Securities Pte Ltd.
 - (3) Mr. Tan Soon Hoe, through his 100% shareholding in Lincoln Capital Pte. Ltd., is deemed to have an interest in the ordinary shares held directly by Lincoln Capital Pte. Ltd..
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(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

Save as disclosed in this Offer Information Statement and all public announcements made by the Company via SGXNET, as at the date of lodgment of the Offer Information Statement, the Directors have no knowledge of any proceedings, pending or threatened, against the Group or any fact that is likely to give rise to any proceedings which may materially affect the financial position or profitability of the Company or the Group taken as a whole.

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

- (g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date
- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or
 - (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and
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Pursuant to the scrip dividend scheme announced on 1 September 2013, the Company had on 25 November 2013, allotted and issued 26,797,311 new ordinary shares in the capital of the Company to eligible Shareholders who had elected to participate in the scrip dividend scheme. The issue price of each ordinary share was S\$0.305.

Save as set out above, the Company has not issued any securities or equity interests within the twelve (12) months immediately preceding the Latest Practicable Date.

- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.
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A summary of the material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company or its subsidiaries during the two (2) years immediately preceding the date of lodgment of this Offer Information Statement is set out below:

- (i) trust deed dated 29 November 2013 between the Company and DB International Trust (Singapore) Limited as trustee, in relation to the TEE MTN Programme;
 - (ii) agency agreement dated 29 November 2013 between the Company, Deutsche Bank AG, Singapore Branch (as principal paying agent), Deutsche Bank AG, Hong Kong Branch (as non-CDP paying agent) and DB International Trust (Singapore) Limited as trustee, in relation to the TEE MTN Programme;
 - (iii) programme agreement dated 29 November 2013 between the Company and United Overseas Bank Limited (as arranger and dealer), in relation to the TEE MTN Programme;
 - (iv) the Deed Poll; and
 - (v) the Warrant Agency Agreement.
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from —

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

The following selected financial information has been extracted from the audited financial statements of the Group for FY2013, FY2012 and FY2011 and the unaudited financial statements of the Group for 9M2014 and 9M2013 as announced by the Group on 10 April 2014 and 11 April 2013 respectively.

Consolidated Statement of Comprehensive Income

	9M2014 (Unaudited) S\$'000	9M2013 (Unaudited) S\$'000	FY2013 (Audited) S\$'000	FY2012 (Audited) S\$'000	FY2011 (Audited) S\$'000	FY2010 (Audited) S\$'000
Revenue	156,250	127,652	216,541	143,631	247,172	159,597
Cost of sales	(138,269)	(111,124)	(184,710)	(112,479)	(217,814)	(135,756)
Gross profit	17,981	16,528	31,831	31,152	29,358	23,841
Other operating income	3,517	2,841	4,045	3,682	2,200	2,909
Administrative expenses	(15,236)	(9,630)	(17,950)	(13,110)	(9,808)	(9,864)
Other operating expenses	(2,732)	(141)	(1,891)	(195)	(1,471)	(99)
Share of results of associates	4,180	418	2,194	2,191	982	(126)
Finance costs	(2,195)	(1,582)	(2,322)	(1,525)	(2,147)	(2,428)
Profit before tax	5,515	8,434	15,907	22,195	19,114	14,233
Income tax expense	(1,169)	(1,810)	(2,712)	(3,078)	(2,718)	(2,636)
Profit for the period/year	4,346	6,624	13,195	19,117	16,396	11,597

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

	9M2014 (Unaudited) S\$'000	9M2013 (Unaudited) S\$'000	FY2013 (Audited) S\$'000	FY2012 (Audited) S\$'000	FY2011 (Audited) S\$'000	FY2010 (Audited) S\$'000
Other comprehensive (loss) income						
Currency translation differences, representing other comprehensive (loss) income for the period/year	(438)	(47)	(209)	70	(138)	8
Total comprehensive income for the period/year	3,908	6,577	12,986	19,187	16,258	11,605
Profit attributable to:						
Owners of the Company	3,100	6,697	13,203	19,286	16,990	11,564
Non-controlling interests	1,246	(73)	(8)	(169)	(594)	33
	4,346	6,624	13,195	19,117	16,396	11,597
Total comprehensive income attributable to:						
Owners of the Company	2,681	6,639	13,068	19,347	16,797	11,588
Non-controlling interests	1,227	(62)	(82)	(160)	(539)	17
	3,908	6,577	12,986	19,187	16,258	11,605
Basic earnings per share (before Bonus Warrants Issue) (cents)	0.65	1.65	3.13	5.39	5.46	4.11
Diluted earnings per share (before Bonus Warrants Issue) (cents)	0.65	1.65	3.13	4.93	4.86	4.11
Basic earnings per share after Bonus Warrants Issue (on the basis that all the Warrants are exercised) (cents)	0.46	1.11	2.14	3.47	3.34	2.41
Dividends per share (cents)	0.45	0.65	3.15	2.35	2.25	2.20

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

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:
- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

Please refer to paragraph 1 of this Part V.

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

A review of the operations, business and financial performance of the Group for the relevant financial years is set out below:

9M2014 versus 9M2013

The Group's revenue for 9M2014 increased by S\$28.6 million or 22.4% to S\$156.3 million as compared to 9M2013 of S\$127.7 million. The increase was mainly due to revenue recognised from on-going and completed engineering projects, rental income and property development projects. The cost of sales for 9M2014 was higher mainly due to higher cost incurred from on-going overseas engineering projects.

Administrative expenses increased by S\$5.6 million to S\$15.2 million in 9M2014 as compared to S\$9.6 million in 9M2013. The increase was mainly due to higher staff costs and expenses arising from the Interlift Sales Pte. Ltd. (Interlift) acquisition.

Finance costs increased by S\$0.6 million from S\$1.6 million in 9M2013 to S\$2.2 million in 9M2014 due to increased borrowings and higher costs of funding.

Other operating expenses increased by S\$2.6 million from S\$0.1 million in 9M2013 to S\$2.7 million in 9M2014. The increase was mainly due to unrealised foreign exchange losses, amortisation of intangible assets arising from Interlift acquisition and initial public offering expenses incurred by TEE Land.

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

For 9M2014, the Group's share of results of associates increased from S\$0.4 million in 9M2013 to S\$4.2 million, an increase of S\$3.8 million. The increase was mainly due to positive results from Singapore real estate associates and the transfer of completed units to owners from projects of a Thailand real estate associate.

Overall, the Group recorded a profit before tax of S\$5.5 million for 9M2014 as compared to S\$8.4 million for 9M2013. The decrease was mainly due to the increase in administrative and other operating expenses.

Trade receivables decreased by S\$8.8 million from S\$54.1 million as at 31 May 2013 to S\$45.3 million as at 28 February 2014 mainly due to the collection from receivables.

Total amount of other receivables increased from S\$18.4 million as at 31 May 2013 to S\$21.4 million as at 28 February 2014 mainly due to the amount owing by subcontractors for an engineering project.

Total loans receivable from associates increased by S\$13.2 million from S\$38.7 million as at 31 May 2013 to S\$51.9 million as at 28 February 2014 mainly due land acquisitions in Bangkok by a Thailand real estate associate as well as the acquisition of a property by a Singapore real estate associate.

Investment in associates increased from S\$20.9 million as at 31 May 2013 to S\$25.4 million as at 28 February 2014 mainly due to an increase in retained earnings from associates in Singapore and Thailand as well as increased investments in a Thailand real estate associate for land acquisitions in Bangkok.

Property, plant and equipment increased to S\$12.0 million as at 28 February 2014 from S\$3.2 million as at 31 May 2013 mainly due to completion of the acquisition of a building at 25 Bukit Batok Street 22, Singapore by TEE Land.

Investment properties increased by S\$8.7 million, from S\$21.5 million as at 31 May 2013 to S\$30.2 million as at 28 February 2014 mainly due to the acquisition of and subsequent work done to improve Workotel in New Zealand by TEE Land.

The decrease in bank loans and overdrafts by S\$6.0 million, from S\$70.1 million as at 31 May 2013 to S\$64.1 million as at 28 February 2014 was mainly due to the repayment of short-term bank loans.

Current portion of long-term bank loans decreased to S\$5.1 million as at 28 February 2014 from S\$13.7 million as at 31 May 2013 mainly due to repayment of loans after completion of 448@East Coast.

Non-current portion of long-term bank loans increased by S\$7.2 million, from S\$80.8 million as at 31 May 2013 to S\$88.0 million as at 28 February 2014 mainly due to completion of the acquisition of a building at 25 Bukit Batok Street 22, Singapore and the payment of development costs relating to The Peak @ Cairnhill I and Twelve Residences.

Equity attributable to owners of the Company increased by S\$20.4 million, from S\$93.2 million to S\$113.6 million as at 28 February 2014 mainly due to the recognition of increased value of the 70.69% equity interest in TEE Land.

Non-controlling interest increased from S\$7.1 million to S\$45.2 million as at 28 February 2014 mainly due to the dilution of the equity interest in TEE Land.

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

FY2013 versus FY2012

The Group's revenue for FY2013 increased by S\$72.9 million or 50.8% to S\$216.5 million as compared to FY2012 of S\$143.6 million. The increase was mainly due to the recognition of revenue from on-going/completed engineering projects and property development projects of 448@East Coast, The Peak @ Cairnhill I and 91 Marshall. The increase in the Group's cost of sales by 64.2% to S\$184.7 million was mainly due to higher cost incurred from the on-going/completed engineering and property development projects which was in line with the increase in the Group's revenue.

Administrative expenses for FY2013 increased by S\$4.8 million or 36.9% to S\$18.0 million as compared to FY2012. The increase was mainly due to the marketing expenses for property development projects and administrative expenses of its newly acquired integrated turnkey material handling subsidiary.

Other operating expenses for FY2013 increased by S\$1.7 million to S\$1.9 million due to expenses incurred for the listing of the Group's real estate subsidiary, TEE Land.

Overall, the Group recorded a profit before tax of S\$15.9 million for FY2013 as compared to S\$22.2 million for FY2012. The decrease was mainly due to the increase in administrative and other operating expenses.

Construction work-in-progress in excess of progress billings increased by S\$21.9 million mainly due to the on-going engineering projects.

The increase in development properties by S\$20.8 million was due to the acquisition of new land in Singapore and Malaysia as well as continued capitalisation of construction and development costs.

Trade receivables and payables increased by S\$24.7 million and S\$25.5 million respectively in line with the increase in revenue and cost of sales.

The increase in investment in associates by S\$9.3 million was mainly due to share of results of associates and the set-up and investment in the Group's Singapore associates in order to fund new property development projects. In line with the restructuring exercise to include only the property development businesses in TEE Land, the Group's 49% owned Thailand associate, Chewathai Ltd transferred 49% equity interests in GETCO to TEE Resources Pte. Ltd., a wholly-owned subsidiary of the Group and 51% equity interests to a Thailand shareholder.

The increase in bank loans and overdrafts by S\$37.4 million was mainly due to additional working capital and funding requirements for new/on-going engineering and property development projects.

Long-term bank loans (current and non-current portion) increased by S\$24.2 million mainly due to drawdown of loans to finance the acquisition of new land in Singapore and Malaysia.

FY2012 versus FY2011

The Group's revenue for FY2012 decreased by S\$103.5 million to S\$143.6 million, mainly due to the completion of the Group's larger projects.

Other operating income increased by 67.4% for FY2012 which mainly comprised of interest income amounting to S\$1.9 million from loans to associates in Singapore, Malaysia and Thailand. It was also partly due to fair value gain on an investment property and interest rate swap amounting to S\$0.5 million and S\$0.3 million respectively.

Administrative expenses increased by S\$3.3 million for FY2012 mainly due to marketing expenses for development properties, employee benefit expenses and overseas travelling expenses.

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

Other operating expenses decreased by 86.7% for FY2012 as there was no impairment loss on prepaid investment and lesser foreign exchange adjustment loss in the current year as compared to the previous corresponding year.

Share of results of associates increased by S\$1.2 million mainly due to valuation gain on assets of the newly acquired telecommunications engineering.

Overall, the Group recorded a profit before tax of S\$22.2 million for FY2012 as compared to S\$19.1 million for FY2011. The increase was mainly due to higher other operating income and contribution from associates.

Loans made to associates increased by S\$13.3 million were mainly due to funding requirements for the acquisition of new businesses and land for the new developments in Singapore.

The increase in development properties of S\$21.3 million was mainly due to the acquisition of new land for the development projects in Singapore and Malaysia.

Trade payables decreased by S\$19.2 million in line with the decrease in revenue and cost of sales.

FY2011 versus FY2010

The Group achieved a record high revenue of S\$247.2 million, a 54.9% jump as compared to previous corresponding year. This increase was largely contributed by the revenue recognised from the large-scale projects such as Asia Square Tower 1 and Marina Bay Sands Integrated Resort development.

In FY2011, gross profit of the Group rose 23.1% from S\$23.8 million to S\$29.4 million along with the higher revenue registered.

The share of results of associates improved from a loss to gain due to profit recognised from the sales of completed properties in Thailand.

Profit before tax increased by 34.3% to S\$19.1 million as compared to S\$14.2 million in the previous corresponding year, which was mainly attributable to the increase in construction activities which led to a higher revenue recorded in FY2011 and improved operational efficiency.

The increase in loans made to associates of S\$8.7 million was mainly due to funding requirements of the Group's property development associates in Singapore and Thailand for new projects.

The increase in development properties by S\$28.4 million was due to the acquisition of more land to build up the Group's land bank in Singapore.

The increase in trade payables of S\$17.0 million was mainly due to the increase in resources for large-scale projects such as Asia Square Tower 1 and Marina Bay Sands Integrated Resort development.

Financial Position

4. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —**
- (a) **the most recent completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The statements of financial position of the Group as at 31 May 2013 and 28 February 2014 are set out below:

	28 Feb 2014 (Unaudited) S\$'000	31 May 2013 (Audited) S\$'000
<u>ASSETS</u>		
Current assets		
Cash and bank balances	42,901	49,696
Trade receivables	45,275	54,143
Other receivables	14,991	10,360
Current portion of loans receivable from associates	23,978	13,103
Other investments	–	380
Inventories	3,059	3,452
Construction work-in-progress in excess of progress billings	23,981	36,439
Development properties	125,220	112,361
	279,405	279,934
Non-current assets		
Investment in associates	25,438	20,881
Intangible assets	3,664	4,071
Club membership	50	50
Property, plant and equipment	12,009	3,248
Investment properties	30,208	21,500
Deferred tax assets	347	443
Other receivables	6,366	8,088
Loans receivable from associates	27,912	25,555
	105,994	83,836
Total assets	385,399	363,770
<u>LIABILITIES AND EQUITY</u>		
Current liabilities		
Bank loans and overdrafts	64,064	70,084
Trade payables	33,081	56,350
Other payables	24,848	22,969
Progress billings in excess of construction work-in-progress	366	6,395
Provision for maintenance costs	194	265
Current portion of finance leases	224	210
Current portion of long-term bank loans	5,135	13,655
Current portion of financial guarantee liabilities	921	933
Income tax payable	1,603	3,741
	130,436	174,602

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

	28 Feb 2014 (Unaudited) S\$'000	31 May 2013 (Audited) S\$'000
Non-current liabilities		
Finance leases	590	745
Long-term loan	4,050	4,050
Long-term bank loans	88,028	80,836
Financial guarantee liabilities	1,698	2,091
Long-term deposit	730	730
Deferred tax liabilities	1,141	374
Other payables	17	18
	96,254	88,844
Capital, reserves and non-controlling interests		
Share capital	56,151	47,978
Currency translation reserve	(368)	51
Capital reserve	21,124	(46)
Accumulated profits	36,650	45,205
	113,557	93,188
Equity attributable to owners of the Company	45,152	7,136
	158,709	100,324
Total liabilities and equity	385,399	363,770

Effects of the Bonus Warrants Issue on net asset value per share

	Before the Bonus Warrants Issue	After the Bonus Warrants Issue (on the basis that all the Warrants are exercised)
Total number of issued shares	493,025,721	690,236,009
Net asset value per share (cents)	23.0	23.6

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5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

Please refer to paragraph 4 of this Part V.

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

Liquidity and Capital Resources

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

A summary of the Group's net cash flow for FY2013 and 9M2014 is as follows:

	9M2014 (Unaudited) S\$'000	FY2013 (Audited) S\$'000
Net cash used in operating activities	(21,790)	(36,530)
Net cash used in investing activities	(32,363)	(5,949)
Net cash from financing activities	49,112	63,868
	<hr/>	<hr/>
Net (decrease) increase in cash and cash equivalents	(5,041)	21,389
Cash and cash equivalents at beginning of year	33,243	12,125
Effect of foreign exchange rate changes	(224)	(271)
	<hr/>	<hr/>
Cash and cash equivalents at end of period/year	<u>27,978</u>	<u>33,243</u>

Review of Consolidated Statement of Cash Flows – 9M2014

Operating Activities

Net cash used in operating activities was S\$21.8 million in 9M2014 due to increase in trade payables.

Investing Activities

Net cash used in investing activities was S\$32.4 million in 9M2014 mainly due to purchase of the building in Singapore and acquisition of and subsequent work done to improve Workotel in New Zealand by TEE Land. Loans were extended to Singapore real estate associates for purchase of a property in Singapore and to fund development activities. Similarly, loans were also granted to Thailand real estate associate for lands acquisition in Bangkok.

Financing Activities

Net cash generated from financing activities was S\$49.1 million in 9M2014 mainly due to net proceeds received from the issuance of new shares pursuant to the listing of TEE Land.

As a result of the above operating, investing and financing activities, there was a net decrease in cash and cash equivalents of S\$5.0 million, thereby bringing the total cash and cash equivalents to S\$28.0 million as at 28 February 2014.

Review of Consolidated Statement of Cash Flows – FY2013

Operating Activities

The utilisation of S\$36.5 million in operating activities during FY2013 was mainly due to movements in working capital such as trade receivables, construction work-in-progress and development properties.

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

Investing Activities

The utilisation of S\$5.9 million in investing activities during FY2013 was mainly due to loans made to associates, purchase of property, plant and equipment and the acquisition of a subsidiary.

Financing Activities

The Group raised S\$63.9 million (net cash from financing activities) during FY2013 via a combination of loans as well as the proceeds of S\$15.0 million from the exercise of warrants.

As a result of the above cash flow activities, there was a net increase in cash and cash equivalents of S\$21.4 million bringing the total cash and cash equivalents to S\$33.2 million as at 31 May 2013.

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7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**
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In the reasonable opinion of the Directors, after taking into account the Group's internal sources, operating cash flows and banking facilities, the Group's working capital as at the date of lodgment of this Offer Information Statement is sufficient to meet its present funding requirements.

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8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide —**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; and**
 - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
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To the best of our Directors' knowledge and belief as at the Latest Practicable Date, our Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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

Engineering Business

The Group’s Engineering Business continues to be stable with more emphasis on high-value contracts. The Group will also look into forming alliances and partnerships with companies undertaking complementary business activities to enable it to provide clients with a total solution to their needs. An overseas engineering arm, led by the Managing Director, has been in place to focus on infrastructure projects around the region.

The Group’s M&E division will work with international contractors to bid for mega projects. On its own, the division will continue to focus on higher value mission critical engineering projects which are highly time-sensitive with no margin for errors.

With the recent upgrade of its workhead for builders works, the building division will now be bidding for bigger jobs of up to S\$75 million. Within the next couple of years, this division is expected to upgrade to the next level, which will then enable it to bid for jobs of unlimited values.

(a) Public Sector

The Group will continue to focus on public sector projects, especially in the education, transport, healthcare and gaming sectors. The focus on public sector projects enables the Group to enjoy the following:

- (i) certainty and timeliness in the collection of progress payments;
- (ii) adoption of fair evaluation methodology in awards of projects and on the finalising of contracts account; and
- (iii) credibility associated with working for the public sector.

(b) Private Sector Focus

Since 2008, the Group has been actively participating in private sector projects bidding. The orders intake from this sector has seen a steady growth over the years.

The Group’s clients from the private sector include CapitaLand, Citibank NA, Las Vegas Sands Group and Hyundai Engineering and Construction. The focus on private sector projects enables the Group to enjoy the following:

- (i) higher profit margin for the projects;
- (ii) repeated orders intakes from the same clients; and
- (iii) faster turnover of projects.

(c) Continued Expansion Into Foreign Markets

The Group will continue to work towards its long-term vision to be a recognised engineering firm in the Asia Pacific region for infrastructure works. Currently, it has offices in Malaysia, Thailand, Brunei, Philippines, Hong Kong and Vietnam.

Water treatment and waste water management are currently one of the key areas of focus for the Group’s Engineering Business. Since 2010, the Group has already made its presence with such engineering scope in Malaysia and Thailand.

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Affordable housing is another area of focus for the Group's Engineering Business. The government of Brunei has gone into overdrive over the last couple of years in providing affordable housing to its citizens, and the Group has successfully secured its flagship project in Brunei to build 1,500 units of affordable housing two years ago.

(d) Strategic Alliances and Partnership

The Group also intends to increase its participation in joint ventures, partnership and alliances with large international companies in engineering services as their expertise and experience will enable the Group to bid for larger projects both locally and on the international platform.

Such strategic alliances and partnership will also provide the Group with a head start in its pursuit of mega infrastructure projects in the region.

(e) Staff Development

The Group will continue to invest heavily in staff development through upgrading of skills of its employees. Employees at all levels will be sent for various skill enhancement courses conducted by the local authorities as well as well-recognised professionals in the industries. As such all employees are able to keep abreast with the latest development and technologies practice in the industries.

Social welfare programmes involving mass participation of the employees are well in place in the Group. Achieving a work life balance is also part of the culture of the Group. More than 20% of the employees in the Group's Engineering Business have been with the Group for more than ten years.

Real Estate Business

(a) Focusing on quality residential property development and expanding into commercial and industrial property development

The Group's current property development projects are pre-dominantly freehold in tenure and are targeted at middle-to-high income consumers who value exclusivity in good locations. The Group will continue to invest in land sites with good locations for development into quality residential units with innovative designs and lifestyle themes to cater to its target consumers. To ensure sustainable growth, the Group is also expanding into commercial and industrial property development projects, which it believes will generate stable rental income. It is intended that the Group's current commercial and industrial property development projects will be leased out for rental income. Nonetheless, if there are suitable commercial or industrial assets which the Group can develop and sell for an attractive profit margin, the Group may consider doing so.

While the Group seeks to undertake more property development projects which are solely developed by the Group, it remains open to strategic partnerships and joint ventures to co-operate with like-minded partners with complementary strengths to enhance the future growth of its property development business.

(b) Strengthening its position in foreign markets

Leveraging on its experience and expertise in property development in Singapore and Thailand, the Group has also extended its geographic reach to Malaysia, Vietnam, New Zealand and Australia and intends to strengthen its presence in Malaysia and Thailand by continually sourcing for suitable property development projects in good locations. The Group believes that it is beneficial for its long-term growth to diversify its presence in foreign markets as this will assist in mitigating policy and demand risks that it may face in Singapore.

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The Group intends to actively tap on its existing relationships with its joint venture partners and suppliers in these regions to deepen its presence in these foreign markets.

(c) Expansion into new markets

The Group believes that new markets countries such as Myanmar and Australia offer good growth potential for property developments as a result of their respective economic and political climate.

Infrastructure and Infrastructure-Related Businesses

The Group has outlined a plan to build up a sizeable portfolio of infrastructure projects over the next three years, making infrastructure the third engine of growth for the Group. As regional economic development is generating increasing demand for water and all forms of energy across Asia, the Group plans to expand its portfolio of infrastructure assets to support the rapid urbanisation and industrialisation of the region. If the Group selects, acquires and manages these projects well, it will be able to gain long-term recurring income at an attractive rate of return, while enjoying the immediate benefit of adding these projects to its order book. This will help to balance the cyclical nature of the Group's large-scale engineering projects.

RISK FACTORS

Prospective subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Warrants, the Shares and/or the New Shares. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business operations, results of operations, financial condition, net sales, revenues, cash flow, profitability, liquidity, capital resources and/or prospects of the Group could be materially and adversely affected. In that event, the trading price of the Warrants, the Shares and/or the New Shares could decline, and investors may lose all or part of their investment in the Warrants, the Shares and/or the New Shares.

To the best of the Directors' knowledge and belief, all risk factors (save for those which have already been disclosed to the general public) which are material to Shareholders in making an informed judgment of the Bonus Warrants Issue have been set out in this Offer Information Statement.

GENERAL RISKS RELATING TO THE GROUP

The Group may be affected by the political, economic and social conditions in the countries that it operates in.

Other than Singapore, the Group also has business presence in Malaysia, Thailand, Vietnam, New Zealand, Brunei, the Philippines and Hong Kong. The Group may also expand into other countries in the Asia Pacific region which it presently does not have any business presence in. Some of the countries that the Group operates in have, in the past, been affected by political upheavals, internal strife, civil commotions and epidemics. The recurrence of these political and social conditions in countries where the Group currently or may in the future operate in, may affect its ability to operate or conduct business in those countries.

The Group's business and prospects may also be materially and adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws and regulations, taxation,

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expropriation, social instability and other political, legal, economic or diplomatic developments in or affecting the markets in which the Group operates currently or in the future. The Group has no control over such conditions and developments and any changes in such conditions and developments may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to risks associated with joint ventures.

The Group undertakes its businesses from time to time through the formation of joint ventures with external parties. These joint ventures involve a certain amount of business risks such as the inability of joint venture partners to fulfill their obligations under the joint venture agreements, and any disagreement and/or disputes with the joint venture partners may also cause a delay in the progress of the joint venture projects.

Political uncertainties or new government regulations (such as restrictions on ownership) or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint ventures or a loss in its ability to influence the management, directors and decisions made under these joint ventures. There is no assurance that the Group will not, in the future, encounter such business risks which may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group may not be able to successfully implement its growth and expansion strategies.

The Group intends to explore and/or pursue various expansion and growth initiatives. Its growth and future success will be dependent on, amongst others, the successful completion of such expansion and growth initiatives proposed to be undertaken by the Group and the sufficiency of demand for its services. There is no assurance that these initiatives will achieve results commensurate with the Group's investment costs or that the Group will be successful in securing new clients. Should the Group fail to implement its expansion plans or there is insufficient demand for its services, the Group's business, results of operation and financial position will be materially and adversely affected.

The Group may be subject to foreign exchange transaction risks.

The Group may be subject to foreign exchange risks as its combined financial statements are denominated in SGD while the financial statements of some of its subsidiaries and associated companies are prepared in their respective functional currencies. For the purpose of consolidating the financial results of its subsidiaries and associated companies, the assets and liabilities of the Group's foreign subsidiaries and associated companies are translated to SGD based on the year end exchange rates for the relevant financial period or year. The income and expenses of the Group's foreign subsidiaries and associated companies are translated using the average exchange rates for the relevant financial year or period. Any significant fluctuation of the SGD against the respective functional currencies of its foreign subsidiaries and associated companies may adversely affect the Group's results of operations.

The Group is subject to revenue and profit volatility.

The Group's revenue in any financial year may fluctuate as its businesses are predominantly project-based and is dependent on the number, value and stage of completion of the projects the Group undertakes. Accordingly, there is no assurance that the amount of revenue and profits from the projects will remain comparable each year. In the event that the Group undertakes fewer or no new projects for any reason or if there is any delay in the progress of any projects, the Group's revenue and profits recognised in that financial year, and accordingly its financial position, may be adversely affected. As such, potential investors should note that the historical financial performance and financial condition of the Group is not to be taken as an indication of the future financial performance and financial condition of the Group in any financial reporting period.

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Revenue from sale of development properties is recognised when risks and rewards of ownership of the property is transferred to the buyer, which may be:

- (a) on a continuous transfer basis; or
- (b) at a single point of time (e.g. at completion, upon or after delivery).

Under (a), revenue is recognised based on the percentage of completion (“**POC**”) method when the transfer of significant risks and rewards of ownership occurs as construction progresses. Under the POC method, revenue and costs are recognised by reference to the stage of completion of the development activity at the end of the reporting period based on survey of work completed at the end of each reporting period performed by independent qualified surveyors. Profits are recognised only in respect of properties with finalised sales agreements. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Under (b), where transfer of significant risks and rewards of ownership coincides with the time when the property is completed or when the development units are delivered to the purchasers, revenue is recognised at that time. Payments received from buyers prior to this stage are recorded as advances from clients from sale of properties and are classified as current liabilities.

The Group’s current accounting policy recognises revenue from the sale of development properties in Singapore using the POC method and the sale of development properties outside Singapore using the completion method. The Group has no intention of changing its accounting policy in the immediate future, but in the event that the Singapore financial reporting standards is amended and the Group is required to change its accounting policy in relation to revenue recognition from POC method to completion method or *vice versa*, the Group’s revenue on a year-to-year basis will be more volatile as a result of different number of completed projects in different financial years.

The Group may be subject to restrictions in repatriation of funds.

The Group may be subject to foreign exchange controls that may adversely affect the ability to repatriate the income or capital that are located outside of Singapore. Repatriation of income and capital may require the consent of the relevant governments. Delays in or refusals to grant any such approval, revocations or variations of consents previously granted, or the imposition of new restrictions may adversely affect the Group’s business, results of operations and financial condition.

The Group is subject to risks associated with debt financing.

The Group usually finances its projects by way of loans from banks/financial institutions in addition to internally-generated funds. Due to large capital requirements, the Group may seek financing for majority of its projects through loans from banks/financial institutions and additional funding from capital markets. As such, the availability of adequate financing is crucial to its ability to complete its projects according to schedule.

The Group may also experience negative cash flow from operating activities that may affect its ability to repay the outstanding debts. A project may experience net cash outflow in its early stages until payments are collected. As such, the Group’s cash flow may fluctuate depending on the timing and extent of payments. In the event that the Group is unable to generate sufficient cash flow to meet the financing costs of its projects for any reasons whatsoever, the Group’s business, results of operations and financial position may be adversely affected.

The loans granted to the Group by banks/financial institutions are generally charged based on floating interest rates. Given that the Group relies significantly on these loans to finance its projects, any increase in the interest rates of these loans will have a material adverse impact on its profitability. If the Group is unable, for any reason, to raise such debt financing, the Group’s business, results of operations and financial position may be adversely affected.

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Additional debt financing may have debt covenants placed on the Group which may:

- (a) increase the Group's vulnerability to general adverse economic and industry conditions;
- (b) limit the Group's ability to pursue its growth plans;
- (c) require the Group to dedicate a substantial portion of its cash flow from operations to payments on its debts, thereby reducing the availability of its cash flow to fund capital expenditure, working capital requirements and other general corporate purposes; and
- (d) limit the Group's flexibility in planning for, or reacting to, changes in its business and its industry.

Whilst, as at the Latest Practicable Date, there are no such debt covenants on any of the existing loans undertaken by the Group, the Group cannot guarantee that future loans granted to the Group will not contain such debt covenants.

The Group may be adversely affected by an outbreak of communicable disease, natural disasters, acts of God, terrorist attacks and other acts of violence in the countries it operates in.

An outbreak of communicable disease where the Group's businesses are based may impact its business operations and financial performance. Market sentiments and consumer confidence could be affected and may lead to a deterioration of economic conditions. In the event that the Group's employees or those of its contractors or sub-contractors are infected or suspected of being infected with any communicable disease, the Group may be required by health authorities to temporarily shut down the affected project sites and quarantine the relevant workers to prevent the spread of the disease, resulting in delays in the Group's projects.

Apart from communicable diseases, natural disasters and acts of God such as floods, typhoons and earthquakes in the regions the Group operates in may also cause disruptions and damage to the Group's businesses and this may lead to increased construction costs and delays on its projects.

Furthermore, since the occurrence of certain terrorist attacks in different areas of the world in recent years, there has been an escalation of a general fear of expansion of terrorist activities around the world, which could have an adverse effect on the world economy. If there is a general fear of economic fall-out around the world due to terrorism and other acts of violence or wars, the economic outlook of the Group's businesses may become uncertain and there is no assurance that such businesses will not be affected by the worldwide economic downturn, or that recovery would appear in the near future.

All of the above could have a negative impact on the demand for the Group's services and its business, future growth and profitability may be adversely affected.

The Group may suffer uninsured losses.

The Group maintains insurance policies covering its assets, business and employees in line with general business practices. There are, however, certain types of losses (such as those resulting from wars, acts of terrorism, acts of God or political risks) that are generally not insured or not fully insured because they are either uninsurable or the costs are prohibitive when compared to the risks. The Group's existing insurance policies may not be adequate to cover lost revenues, increased expenses or liabilities to third parties.

Should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose capital invested in the projects, as well as anticipated future revenue from those projects. Any such loss could adversely affect the results of operations and financial

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condition of the Group. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for the Group will be available in the future on commercially reasonable terms or at commercially reasonable rates.

RISKS RELATING TO ENGINEERING BUSINESS

The Group's financial performance is dependent on the construction industry in the countries it operates in.

Generally, the construction industry is cyclical in nature. During the downturn cycle, the number of jobs available in the market may be reduced, limiting the number and size of jobs that the Engineering Business may be able to secure. Profit margin derived from jobs secured during the downturn cycle may also be lower, thus potentially adversely impacting on the Group's Engineering Business.

The Group's Engineering Business is highly labour intensive, and dependent on the availability of skilled labour in the countries it operates in.

As the Group's Engineering Business is highly labour intensive, the availability of skilled and professional staff is important to the Group's Engineering Business. Any restriction or limitation on the Group's ability to access and recruit skilled labour in the countries it operates in may have a significant impact on the Group's performance and its continued growth.

The Group may face potential loss or downgrade of its BCA grades.

The BCA workhead grading is renewed on a yearly basis. The maintenance and/or upgrading of these grading is dependent on the Group's ability to meet the prescribed requirements by the authority in relation to financial capacity, staff resources and track records.

Any downgrade in the BCA grading of the Group's engineering workhead will affect the ability of the Group to participate in public sector projects. As almost half of the Group's turnover is derived from public sector projects, the financial performance of the Group in this case will be adversely affected.

The Group's Engineering Business is subject to the risk of disputes, claims and variation orders.

Under the engineering contracts entered into by the Group with its client, the client is entitled to claim for any breach of the contract conditions by the Group by offsetting the contract retention monies or calling for the performance bond furnished by the Group. Such claims include liquidated damages due to delay in the completion of the projects, defective workmanship and non-compliance with contract specifications. These claims may adversely affect the financial performance of the project and subsequently create a negative impact on the reputation of the Group.

There is also the risk of the Group running into disputes with its sub-contractors and suppliers. These disputes usually arise from non-compliance with contract specifications and the delivery schedule of its sub-contractors and suppliers. Such disputes affect the Group's ability to deliver the projects in good order and within schedule, especially when they lead to potential legal actions.

In most engineering contracts entered into by the Group, after commencement of work, clients will request for changes to the work scope and request for additional works which is termed variation orders. Notwithstanding that the cost of such variation orders may have been agreed to, there remains a possibility that disputes may arise during the settlement of the project final accounts. These disputes may lead to lower than expected final contract values and delays in settlement of the project final account, thus, affecting the profitability and financial position of the Group.

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The Group's plan to expand its Engineering Business overseas may be impeded by high costs, inability to find suitable partners or alliances or restrictive regulations in the other jurisdictions.

One of the Group's business strategies for growth of its Engineering Business is to expand to new and larger markets in the region. There may be prohibitive and restrictive regulations or onerous tax laws in these countries which will make it difficult and/or costly to set up businesses there.

In addition to establishing and entering into joint ventures overseas, the Group may acquire companies and assets that it believes will enhance its revenue growth. However, future acquisitions may result in the use of significant amount of cash, potentially diluting the issuance of equity securities and amortising expenses relating to goodwill and other intangible assets each of which may adversely affect the profitability and financial position of the Group.

The Group's growth in its Engineering Business depends on its continuing ability to secure and develop new engineering projects.

As a large portion of the Group's Engineering Business is project-based, the Group's profitability is dependent on its ability to secure new profitable engineering projects. The ability of the Group to secure new engineering projects may be based on a number of factors, including having the relevant technical expertise, an established track record in the specific fields, and/or the possession of various licences and permits.

In the event that the Group does not secure adequate new engineering projects, this may have an adverse effect on the Group's business, results of operations, financial condition and prospects.

RISKS RELATING TO REAL ESTATE BUSINESS

The Group is affected by the performance of the property industry.

The Group currently operates its Real Estate Business in Singapore, Malaysia, Thailand, Vietnam, New Zealand and Australia. The Group's Real Estate Business is subject to the performance of the property industry in the countries in which it operates, where property prices are largely affected by supply and demand for properties. The demand for properties typically follows a cyclical pattern and is generally affected by local and global economic conditions, local market sentiment and expectations, government regulations, competition from other property developers, extent of supply of properties for sales and availability of financing for the purchase of properties. Economic recession, negative market sentiment or uncertainty on the pace of recovery in global financial markets may therefore affect the demand for the Group's properties and their pricing, which may have a material adverse effect on its revenue and profitability.

Despite the growth of the regional property market in the past, there is no guarantee that such growth will be sustained in the future. The Group may also incur losses by retaining unsold properties or selling them below cost in a depressed market. In the event that the Group is unable to sell its unsold properties, the Group may incur holding costs, including interest costs and maintenance costs. A decline in the demand for the Group's property development projects in the event that the property market experiences a downturn may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to various government policies which regulate the property market in the countries it operates in.

The Group's Real Estate Business is dependent on the various government policies implemented by governments of the countries it operates in.

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For example, to promote a stable and sustainable property market, the Singapore government monitors the property market closely and adopts measures as and when it deems necessary. Between September 2009 and January 2013, the Singapore government implemented seven rounds of property curbs and cooling measures to keep the buoyancy of the property market in check. Such measures included, *inter alia*, the lowering of loan-to-value limits, the increase in minimum cash down payment, the imposition of additional buyer's stamp duty and the stipulation of maximum loan tenure.

In the event that the governments of the countries the Group operates its Real Estate Business in introduces policies impacting the overall performance of the property market in that particular country, the Group's operations, profitability and financial performance may be adversely affected.

RISKS RELATING TO INFRASTRUCTURE AND INFRASTRUCTURE-RELATED BUSINESSES

As Infrastructure and infrastructure-related businesses are often regulated, the Group's strategy of investing in such businesses may be adversely affected by the impact of such regulations.

One of the Group's growth strategies is to invest in infrastructure and infrastructure-related businesses. Government policies, laws and regulations often have a significant influence over infrastructure and infrastructure-related businesses generally. The application of these policies, laws and regulations may affect the Group's Infrastructure and Infrastructure-Related Businesses. For example, a government's decision to limit privatisation in a particular sector will reduce the possible infrastructure and infrastructure-related investments available to the Group in that country.

In countries where the Group invests or may invest in the future, the government policies, laws or regulations in those countries could have an adverse effect on the operations of the Group's Infrastructure and Infrastructure-Related Businesses. The nature of many infrastructure and infrastructure-related businesses requires compliance with laws and regulations in their jurisdictions of operations including but not limited to those relating to the environment, and also to obtain and maintain governmental permits in relation to the use, storage, discharge and disposal of toxic or otherwise hazardous materials used in the businesses. If these businesses fail to comply with any applicable laws and regulations, they could be subject to substantial civil or criminal liability and fines. In addition, any failure or any claim that there has been a failure to comply with applicable laws or regulations may cause delays in operations or expansion activities and also adversely affect the public image of these businesses.

Changes in government policies, laws or regulations or their application affecting the business activities of the Group's Infrastructure and Infrastructure-Related Businesses may adversely affect its operating results, business and financial condition. For example, there may be a need to incur additional costs or limit business activities to comply with new laws or regulations, such as stricter environmental or safety controls. This may in turn result in a material adverse effect on the businesses, operations, prospects and financial condition of the Group. In addition, any change in government policies, laws or regulations which result in increased competition in the particular sector in which the Group may have an infrastructure and infrastructure-related investment could adversely impact that business or make it more difficult for it to pursue possible acquisitions in that country.

The Group may operate its Infrastructure and Infrastructure-Related Businesses in regions with volatile and unpredictable political environments.

The Group is contemplating expanding its Infrastructure and Infrastructure-Related Businesses overseas, which may include certain regions or countries where the political environments can be volatile and unpredictable. Thus, its Infrastructure and Infrastructure-Related Businesses operations in these regions or countries will be subject to various risks relating to political uncertainty such as difficulties or delays in obtaining or renewing relevant permits or consents, cancellation of contractual rights and difficulty or inability to enforce these rights or to obtain redress in the

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relevant courts. The occurrence of any of these events or of any other similar events relating to the Group's Infrastructure and Infrastructure-Related Businesses in these regions may have a material adverse effect on its business, financial condition and results of operations.

RISKS RELATING TO THE OWNERSHIP OF THE WARRANTS

Warrants may expire worthless.

The Warrants issued pursuant to the Bonus Warrants Issue have an Exercise Period of three (3) years. In the event that the Warrants are not exercised by the end of the Exercise Period, the Warrants will expire worthless.

Potential dilution.

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

Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company may issue Shares for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit, but the Warranholders shall not have any participating rights in such further issues unless otherwise resolved by the Company in a general meeting. Warranholders may suffer a dilution of interest as a result depending on the terms and conditions of the Warrants.

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

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, holders of Warrants will not be able to trade their Warrants on the Main Board of the SGX-ST.

The price of the Warrants (upon listing) and the Shares may be volatile.

The market price of the Shares and the Warrants (upon listing) may be volatile and could be subject to fluctuations in response to the variations in the Company's operating results and other developments. Further, the demand for the Warrants, its price fluctuations as well as trading volume may vary from that of the Shares.

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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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Not applicable. No profit forecast is disclosed in this Offer Information Statement.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

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

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

13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

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

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

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

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Significant Changes

15. Disclose any event that has occurred from the end of —

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

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement and any announcements which have already been released to the public on the SGXNET, the Directors are not aware of any event which has occurred since 28 February 2014 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of “published”

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

Noted.

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PART VI - THE OFFER AND LISTING

Offer and Listing Details

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.**
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The Warrants to be issued are free. The exercise price of each Warrant is S\$0.25 for each New Share, payable in full upon exercise of a Warrant (subject to any adjustment under certain circumstances as provided for in the Deed Poll).

2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
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The Shares are listed for quotation on the Main Board of the SGX-ST. The Company has obtained a listing and quotation notice from the SGX-ST to deal in and for the listing and quotation for the New Shares and the Warrants on the Main Board of the SGX-ST, subject to there being an adequate spread of holdings for the Warrants to provide for an orderly market in the trading of Warrants.

The exercise price of S\$0.25, represents a discount of approximately 3.8% to the price of approximately S\$0.26, being the volume weighted average price of the Shares for trades done on the SGX-ST on 9 April 2014, being the last Market Day preceding 10 April 2014, being the date on which the Company announced the Bonus Warrants Issue.

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

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

Not applicable, as the Warrants are issued free to Entitled Shareholders. Save for the terms and conditions set out in the Deed Poll and disclosed in this Offer Information Statement, the exercise of Warrants is not restricted.

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

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

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange —
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
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No securities in the same class as the Warrants are listed for quotation on any securities exchange. However, the New Shares to be issued upon the exercise of the Warrants are of the same class as the Shares and such Shares are listed for quotation on the Main Board of the SGX-ST.

The highest and lowest traded prices and volume of the Shares traded on the Main Board of the SGX-ST during each of the last 12 calendar months immediately preceding May 2014, being the latest calendar month in which the Latest Practicable Date falls, and on 19 May 2014, being the Latest Practicable Date, are as follows:-

Month	Price Range		Volume of Shares traded ⁽³⁾ (‘000)
	High ⁽¹⁾ (S\$)	Low ⁽²⁾ (S\$)	
May 2013	0.490	0.370	96,120
June 2013	0.470	0.325	42,370
July 2013	0.380	0.355	15,962
August 2013	0.365	0.315	11,514
September 2013	0.365	0.315	6,833
October 2013	0.370	0.315	11,344
November 2013	0.320	0.300	4,678
December 2013	0.310	0.275	2,267
January 2014	0.310	0.285	8,901
February 2014	0.290	0.275	4,086
March 2014	0.280	0.260	3,822
April 2014	0.295	0.255	23,815
19 May 2014 being the Latest Practicable Date	0.305	0.300	702

(Source: Bloomberg L.P. Bloomberg L.P. has not consented for the purposes of Sections 249 and 277 of the Securities and Futures Act to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Section 253 and 254 of the Securities and Futures Act. The Company has included the above information in its proper form and context and has not verified the accuracy of such information.)

Notes:

- (1) Based on the highest market price for the Shares in a particular month / period.
- (2) Based on the lowest market price for the Shares in a particular month / period.
- (3) Based on the total volume of the Shares traded in a particular month / period.
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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

Not applicable, as the Shares have been listed on the Main Board of the SGX-ST since 3 September 2008.

- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and

Save for temporary trading halts to cater for the release of announcements by the Company on the website of the SGX-ST at <http://www.sgx.com> in accordance with the requirements of the Listing Manual, there has been no significant trading suspension of the Shares on the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.

- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

Not applicable as the Shares are regularly traded on the Main Board of the SGX-ST.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide —
- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.

The Warrants will, upon issue, be a new class of securities. Each Warrant entitles the Warrantheader thereof to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions to be set out in the Deed Poll. The New Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of issue of the New Shares.

The Warrants and the New Shares are proposed to be issued pursuant to the share issue mandate approved by the Shareholders at the Company's annual general meeting held on 26 September 2013.

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

Plan of Distribution

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

Basis of Allotment : The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of two (2) Warrants for every five (5) existing Shares held by or, as the case may be, standing to the credit of the securities accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Fractional entitlements to the Warrants will be disregarded in arriving at Entitled Shareholders' allotments and will be dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

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

Terms and Conditions : The allotment and issue of the Warrants pursuant to the Bonus Warrants Issue is governed by the terms and conditions as set out in this Offer Information Statement, including Appendix I.

The Warrants are issued free to Entitled Shareholders and are not offered through any broker or dealer.

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

The Warrants will be issued free to Entitled Shareholders. There are no underwriters appointed pursuant to the Bonus Warrants Issue.

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

PART VII – ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.
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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert —
- (a) state the date on which the statement was made;
 - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and
 - (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.
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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. The information referred to in paragraph 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.
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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.
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Not applicable. No issue manager or underwriter has been appointed for the Bonus Warrants Issue.

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

Other Matters

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

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company, to the Directors' best knowledge, there are no other matters which could materially affect, directly or indirectly, the Company's business, operations, financial position or results, or investments by holders of securities in the Company.

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

Not applicable.

PART IX - ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

The warrants (“**Warrants**”) to subscribe for new ordinary shares (“**New Shares**”) in the capital of **TEE INTERNATIONAL LIMITED** (“**Company**”) are issued in conjunction with a bonus issue, free of payment, of up to 197,210,288 Warrants, each Warrant carrying the right to subscribe for one (1) New Share at the exercise price of S\$0.25 for each New Share, on the basis of two (2) Warrants for every five (5) ordinary shares in the capital of the Company held by entitled shareholders of the Company as at the books closure date, fractional entitlements being disregarded.

The Warrants are subject to and have the benefit of a deed poll dated 23 May 2014 made by the Company (the “**Deed Poll**”). The issue of the Warrants was authorised by resolutions of the board of directors of the Company passed on 10 April 2014 and the New Shares arising will be issued pursuant to the share issue mandate given by shareholders of the Company at the annual general meeting of the Company held on 26 September 2013. Approval in-principle has been obtained from the SGX-ST (as defined below) for dealing in, the listing of and quotation for the Warrants and the new Shares (as defined below) arising from the exercise of the Warrants subject to, *inter alia*, a sufficient spread of holdings for the Warrants.

The statements in these terms and conditions of the Warrants (“**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Deed Poll. Copies of the Deed Poll are available for inspection at the registered office for the time being of the Company and at the specified office for the time being of the warrant agent referred to in Condition 4.7 (“**Warrant Agent**”) and the holders of the Warrants (“**Warrantholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Deed Poll.

1. Definitions

For the purposes of these Conditions, unless otherwise stated or the context otherwise requires, terms defined in the Deed Poll shall have the same meanings when used in these Conditions. In addition:-

“**Act**” means the Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time.

“**Approved Bank**” means any bank or merchant bank in Singapore of international repute and selected by the Directors.

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

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

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

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

“**CPF Act**” means the Central Provident Fund Act (Chapter 36) of Singapore, as may be amended, modified or supplemented from time to time.

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

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

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

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

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

“**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 130A of the Act.

“**Directors**” means the Directors for the time being of the Company.

“**Exercise Date**” means, in relation to the exercise of a Warrant, the Business Day (falling within the Exercise Period), on which the applicable conditions referred to in Condition 4.1 are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, Provided That if any such day falls during a period when the Warrant Register is closed, then the “**Exercise Date**” shall be the next Business Day on which the Warrant Register is open.

“**Exercise Notice**” means a notice (for the time being current and as the same may be modified or amended from time to time) for the exercise of the Warrants, copies of which may be obtained from the Warrant Agent.

“**Exercise Period**” means the period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, Provided That if such date falls on a day on which the Warrant Register is closed or which is not a Market Day, in which event, the exercise period shall end on the immediate preceding Market Day, but excluding such period(s) during which the Warrant Register may be closed pursuant to Condition 4.6.

“**Exercise Price**” means, in respect of each Warrant, S\$0.25 for each New Share, subject to adjustment in accordance with Condition 5.

“**Expiration Date**” means the last day of the Exercise Period, Provided That if such date falls on a day on which the Warrant Register is closed or which is not a Market Day, then the Market Day immediately preceding such date (as the case may be) shall be the Expiration Date.

“**Last Dealt Price**” means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one (1) or more board lots of Shares on that Market Day on which there is trading of the Shares on the SGX-ST.

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

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

“**Securities Account**” means a securities account maintained by a Depositor with CDP but does not include a securities sub-account.

“**Special Account**” means the account maintained by the Company with a bank in Singapore for the purpose of crediting monies paid by exercising Warrant holders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrant holders.

“**Warrant Agency Agreement**” means the Warrant Agency Agreement dated 23 May 2014 between (1) the Company, (2) the Warrant Agent and (3) the Share Registrar appointing, *inter alia*, the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment.

“**Warrant Register**” means the register of Warrant holders to be maintained by the Warrant Agent pursuant to Condition 4.6.

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

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

2. Form and Title

2.1 The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 8. The Warrant Agent will maintain the Warrant Register on behalf of the Company and except as may be ordered by a court of competent jurisdiction or as may be required by law:-

- (a) the registered holder of Warrants (other than CDP); and
- (b) (where the registered holder of Warrants is CDP) each Depositor for the time being appearing in the Depository Register maintained by CDP as having Warrants credited to its Securities Account(s),

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

2.2 If two (2) or more persons are entered into the Warrant Register or (as the case may be) the records maintained by CDP, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the following provisions:-

- (a) the Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warrantholder;
- (b) joint holders of any Warrant whose names are entered into the Warrant Register or (as the case may be) the relevant records maintained by CDP shall be treated as one (1) Warrantholder;
- (c) the Company shall not be bound to issue more than one (1) Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Warrant Register shall be sufficient delivery to all; and
- (d) the joint holders of any Warrant whose names are entered into the Warrant Register or (as the case may be) the relevant records maintained by CDP shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant or the exercise of such Warrant.

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

3. Exercise Rights

- 3.1 Upon and subject to these Conditions, each Warrantholder shall have the right, by way of exercise of a Warrant, at any time during normal business hours on any Business Day during the Exercise Period in the manner set out in Condition 4 and otherwise on the terms and subject to these Conditions, to subscribe for one (1) New Share at the Exercise Price, subject to adjustments in accordance with Condition 5, on the Exercise Date applicable to such Warrant. The Exercise Price shall, on the Exercise Date, be applied towards payment for the New Share to be issued on the exercise of the relevant Warrant. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company. No fraction of a Share shall be allotted.
- 3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised in accordance with Condition 4 will lapse and cease to be valid for any purpose. The right to exercise the Warrants will not be extended beyond the Expiration Date.
- 3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall be rendered void.
- 3.4 New Shares allotted and issued upon exercise of the Warrants shall be fully paid and, save for any dividends, rights, allocations or other distributions, the Record Date for which is on or before the relevant Exercise Date of the Warrants, shall rank pari passu in all respects with the then existing Shares of the Company. For the purpose of this Condition 3.4, “**Record Date**” means, in relation to any dividends, rights, allocations or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in dividends, rights, allocations or other distributions.
- 3.5 The Company shall, not later than one (1) month before the expiry of the Exercise Period:
- (a) give notice to the Warrantholders in accordance with Condition 12 of the expiry of the Exercise Period and notify the same to SGX-ST; and
 - (b) take reasonable steps to despatch to the Warrantholders notices in writing to their addresses recorded in the Warrant Register or the Depository Register, as the case may be, of the expiry of the Exercise Period.

Without prejudice to the generality of the foregoing, Warrantholders who acquire Warrants after notice of the expiry of the Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with Condition 12. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

4. Procedure for Exercise of Warrants

4.1 Lodgment Conditions

- (a) In order to exercise one (1) or more Warrants, a Warrantholder must, before 3.00 p.m. on any Business Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date, fulfil all the following conditions:-
- (i) lodgment of the relevant Warrant Certificate registered in the name of the exercising Warrantholder or CDP (as the case may be) for exercise at the specified office for the time being of the Warrant Agent together with the Exercise Notice (copies of which may be obtained from the Warrant Agent or the Company) in respect of the Warrants represented thereby, duly completed and signed by or on behalf of the exercising

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense with the production of the Global Warrant Certificate where such Warrants being exercised are registered in the name of CDP;

- (ii) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise to ensure the due exercise of the Warrants and such other evidence as the Company may require to verify due compliance for the purposes of administering and implementing the provisions set out in these Condition;
 - (iii) pay or satisfy the Exercise Price in accordance with the provisions of Condition 4.2 below;
 - (iv) pay any deposit or other fees for the time being chargeable by, and payable to, CDP (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
 - (v) if applicable, pay any fees for certificates for the New Shares to be issued, the submission of any necessary documents required in order to effect, and pay the expenses of, the registration of the New Shares in the name of the exercising Warrantholder or CDP (as the case may be) and the delivery of certificates for the New Shares upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to CDP (as the case may be).
- (b) Any exercise by a Warrantholder in respect of Warrants registered in the name of CDP shall be further conditional on that number of Warrants so exercised being credited to the “Free Balance” of the Securities Account(s) of the exercising Warrantholder and remaining so credited until the relevant Exercise Date and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the New Shares arising from the exercise of the relevant Warrants to be effected by crediting such New Shares to the Securities Account(s) of the exercising Warrantholder, or, in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price arising from the exercise of each Warrant, by crediting such New Shares to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.
- (c) An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warranholders whose Warrants are registered in the name of CDP irrevocably authorise the Company and the Warrant Agent to obtain from CDP and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the abovementioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Deed Poll and to take such steps as may be required by CDP (including the steps set out in CDP’s procedures for the exercise of warrants as set out in its website, <http://www.cdp.com.sg> or such other website, as amended from time to time) in connection with the operation of the Securities Account of any Warrantholder, Provided That the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the records of and information supplied by CDP.
- (d) Once all the conditions in this Condition 4.1 (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), Exercise Notice and any monies tendered in or towards payment of the Exercise Price in accordance with Condition 4.2 below may not be withdrawn without the consent in writing of the Company.

APPENDIX I – TERMS AND CONDITIONS OF THE WARRANTS

4.2 Payment of Exercise Price

- (a) Payment of the Exercise Price shall be made to the Warrant Agent at its specified office for the time being:-
- (i) by way of a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore for the credit of the Special Account;
 - (ii) subject to the Warrants being listed on the Main Board of the SGX-ST, by debiting the relevant Warrantholder's CPF Investment Account with the CPF Approved Bank as specified in the Exercise Notice; or
 - (iii) partly in the form of remittance and partly by debiting such Warrantholder's CPF Investment Account with the CPF Approved Bank as specified in the Exercise Notice,

for the credit of the Special Account for the full amount of the Exercise Price payable in respect of the Warrants exercised, Provided That any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to in Condition 4.2(b) and shall comply with any exchange control or other statutory requirements for the time being applicable.

- (b) Any payment under this Condition 4.2 shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (a) the name of the exercising Warrantholder, (b) the number of Warrants exercised and (c) if the relevant Warrant Certificate is registered in the name of a person other than CDP, the certificate number(s) of the Warrant Certificate(s) in respect of the Warrant(s) being exercised or, where the Warrant Certificates are registered in the name of CDP, the Securities Account number(s) of the exercising Warrantholder which is to be debited with the Warrants being exercised. In each case, compliance must also be made with any exchange control or other statutory requirements for the time being applicable.
- (c) If the payment of the Exercise Price fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may accordingly be delayed or treated as invalid. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Special Account (subject to Condition 4.4 below) unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 in an amount sufficient to cover the deficiency. Neither the Company nor the Warrant Agent shall be held responsible for any loss arising from the retention of any such payment by the Company or the Warrant Agent.
- (d) Payment of the Exercise Price received by the Warrant Agent will be deposited by the Warrant Agent to the Special Account in accordance with the Warrant Agency Agreement in payment for the New Shares to be delivered in consequence of the exercise of such Warrants.

4.3 Exercise Date

- (a) The relevant Warrant shall (provided that the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

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

4.4 Special Account

- (a) Payment of the Exercise Price received by the Warrant Agent shall be deposited to the Special Account after the Exercise Date relating to the relevant Warrants in payment for the New Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to the Global Warrant Certificate(s) in the name of CDP, the number of Warrants represented by the Global Warrant Certificate(s) registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised. The original Global Warrant Certificate(s) shall be cancelled and replaced with new Global Warrant Certificate(s) representing the Warrants that are held through CDP which remain unexercised, as soon as possible after receipt by the Warrant Agent from CDP of the original Global Warrant Certificate(s), accompanied by instructions from CDP as to the cancellation of such original Global Warrant Certificate(s) in *lieu* of the new Global Warrant Certificate(s).
- (b) If such payment is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount of the Exercise Price, or the conditions set out in Condition 4.1 have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Special Account pending recognition of such payment or full payment or, fulfilment of the lodgment conditions, as the case may be, but on whichever is the earlier of (i) the 14th day after receipt of such Exercise Notice by the Warrant Agent and (ii) the Expiration Date, such payment will (if the Exercise Date in respect of such Warrant(s) has not by then occurred) be returned, without interest, to the person who remitted such payment. The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable) and the relevant Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice together with such payment, after receipt of the same from the Company, to the exercising Warranholder at the risk and expense of such Warranholder. The Company will, upon receipt of notification from the Warrant Agent of any unsuccessful exercise of Warrants, forward such payment to the Warrant Agent for it to be returned to the exercising Warranholder. The Company will be entitled to deduct or otherwise recover any applicable handling charges and out-of-pocket expenses of the Warrant Agent. So long as any particular payment remains credited to the Special Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warranholder but it may only be withdrawn within the abovementioned 14 day period with the consent in writing of the Company.

4.5 Allotment of Shares and Issue of Balancing Warrant Certificates

- (a) A Warranholder exercising Warrants which are registered in the name of CDP must elect in the Exercise Notice to have the delivery of New Shares arising from the exercise of such Warrants to be effected by crediting such New Shares to the Securities Account of such Warranholder or, as the case may be, the nominee company of the CPF Approved Bank as specified in the Exercise Notice, and where such Warranholder exercises part only (but not all) of the subscription rights represented by Warrants registered in the name of CDP, the number of Warrants represented by the Global Warrant Certificate registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

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- (b) A Warrantholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the New Shares arising from the exercise of such Warrants or to have the delivery of such New Shares effected by crediting such New Shares to his Securities Account, or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice (in which case, such Warrantholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by CDP), failing which such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such New Shares at his address specified in the Warrant Register.
- (c) The Company shall allot and issue the New Shares arising from the exercise of the relevant Warrants by a Warrantholder in accordance with the instructions of such Warrantholder as set out in the Exercise Notice and:-
- (i) where such Warrantholder has (or is deemed to have) elected in the Exercise Notice to receive physical share certificates in respect of the New Shares arising from the exercise of the relevant Warrants, the Company shall despatch, as soon as practicable but in any event not later than five (5) Business Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantholder, the certificates relating to such New Shares registered in the name of such Warrantholder; and
- (ii) where such Warrantholder has elected in the Exercise Notice to have the delivery of New Shares arising from the exercise of the relevant Warrants to be effected by the crediting of the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, the Company shall despatch, as soon as practicable but not later than five (5) Business Days after the relevant Exercise Date, the certificates relating to such New Shares in the name of, and to, CDP for the credit of the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice.
- (d) Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice (or failing which, to his address specified in the Warrant Register) and at the risk of that Warrantholder at the same time as it delivers, in accordance with the relevant Exercise Notice, the share certificate(s) relating to the New Shares arising upon exercise of such Warrants.
- (e) Where the Warrantholder exercises part only (and not all) of the subscription rights represented by the Warrants registered in the name of CDP, the number of Warrants represented by the Global Warrant Certificate(s) registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.
- (f) The New 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 New Shares. Subject as aforesaid, the New Shares shall rank *pari passu* in all other respects with the then existing Shares. For the purpose of this Condition 4.5, “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date on which, as at the close of business (or such other time in accordance with market practice as may have been notified in writing by the Company), Shareholders must be registered with the Company or, in the case of Shareholders whose Shares are registered in the name of CDP, with CDP, in order to participate in such dividends, rights, allotments or other distributions. For the avoidance of

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doubt, in respect of New Shares to be issued and credited to the Securities Account of the Warrantholder or, as the case may be, the nominee company of the CPF Approved Bank as specified in the Exercise Notice upon the exercise of the Warrants, the date of issue of the New Shares shall be the date on which such New Shares are credited to the relevant Securities Account.

4.6 Register of Warrantholders

- (a) The Warrant Agent will maintain the Warrant Register containing particulars of the Warrantholders (other than Warrantholders who are Depositors), and such other information relating to the Warrants as the Company may require. The Warrant Register (and, with the approval of CDP, the Depository Register), may be closed during such periods when the Register of Transfers and/or Register of Members of the Company is deemed to be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants held by any Warrantholders and during such periods as the Company may determine. Notice of each closure of the Warrant Register and (if applicable) the Depository Register will be given to the Warrantholders in accordance with Condition 12.
- (b) Where Warrants are held through CDP, the registered holder of such Warrants in the Register shall be CDP.
- (c) Except as required by law or as ordered by a court of competent jurisdiction, the Company and the Warrant Agent shall be entitled to rely on the Warrant Register (where the registered holder of a Warrant is a person other than CDP) or the Depository Register (where CDP is the registered holder of a Warrant) or any statement or certificate issued by CDP to the Company or any Warrantholder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warrantholders, the number of Warrants to which any such Warrantholders are entitled, to give effect to the exercise of the subscription rights constituted by the Warrants and for all other purposes in connection with the Warrants (whether or not the Company shall be in default in respect of the Warrants or any of the terms and conditions contained herein or in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft or forgery of the relevant Warrant Certificate or any express notice to the Company or Warrant Agent or any other related matter).

4.7 Warrant Agent and Share Registrar

- (a) The name of the initial Warrant Agent and Share Registrar and their respective specified office are set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent or the Share Registrar and to appoint an additional or another Warrant Agent or Share Registrar, Provided That it will at all times maintain a Warrant Agent having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent or the Share Registrar will be given to the Warrantholders in accordance with Condition 12.

Name of initial Warrant Agent and Share Registrar : B.A.C.S. Private Limited

Office of initial Warrant Agent and Share Registrar : 63 Cantonment Road
Singapore 089758

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(b) Except as required by law:-

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

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

5. Adjustments of Exercise Price and Number of Warrants

5.1 The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank in accordance with Condition 5.2, which adjustment shall be certified by the Auditors. The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:-

- (a) any consolidation or subdivision of the Shares including a subdivision by way of a bonus issue by the Company of Shares credited as fully paid without capitalisation of profits or reserves) of the Shares or the conversion of convertible securities into 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 Shareholders who elect to receive Shares in *lieu* of cash or other dividend);
- (c) a Capital Distribution (as defined in Condition 5.2(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 Condition 5.2(d), and other than an issue of Shares to Shareholders who elect to receive Shares in *lieu* of cash or other dividend) by the Company of Shares, if the Total Effective Consideration (as defined in Condition 5.2(e) below) for each Share is less than ninety per cent. (90%) of the Last Dealt Price for each Share (calculated as provided below).

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5.2 Subject to these Conditions and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two (2) or more of Conditions 5.1(a) to 5.1(e) or if such event is capable of giving rise to more than one (1) adjustment, the adjustment shall be made in such manner as the Approved Bank shall determine):-

(a) Consolidation / Subdivision / Conversion

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

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

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

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

where:-

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

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

X = 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 or conversion becomes effective.

(b) Capitalisation Issues

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;

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

(c) Capital Distribution or Rights Issue

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);
- (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 Condition 5.2(c)(ii) above, the number of Warrants held by each Warrantheader 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 Condition 5.2(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 Condition 5.2(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 Condition 5.2(c) above, the fair market value, as determined by an Approved Bank (with the concurrence of 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.

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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:-

$$\frac{C - Z}{Q + 1}$$

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 these Conditions, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.2(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 Condition 5.2(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 Condition 5.2(c)(ii).

For the purposes of this Condition 5.2, “**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.

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(d) Concurrent Capitalisation Issue and Rights Issue

If, and whenever, the Company makes any allotment to its Shareholders as provided in Condition 5.2(b) and also makes any offer or invitation to its Shareholders as provided in Condition 5.2(c)(ii) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:-

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

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

where:-

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

C = as in C above;

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

Z = as in Z above;

B = as in B above;

X = as in X above; and

W = as in W above.

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

(e) Issue at Discount other than by way of Rights

If, and whenever (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under Conditions 5.2(c)(ii) or 5.2(d) and other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than 90% of the Last Dealt Price on the SGX-ST on five (5) Market Days before the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:-

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

where:-

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

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L = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such Last Dealt Price for the five (5) Market Days before the date on which the issue price of such Shares is determined (exclusive of expenses);

M = the aggregate number of Shares so issued; and

X = as in X above.

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

For the purposes of Conditions 5.1(e) and 5.2(e), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

- 5.3 In the event any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder 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 the Deed Poll, 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 Warrantholder’s interest in the equity of the Company (based on the New Shares comprised in the unexercised Warrants held by such Warrantholder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.
- 5.4 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 the 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;
 - (d) 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, issued subsequent to the issue of Warrants, whether by itself or together with any other issues; or
 - (e) subject to Condition 5.12 below, any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in general meeting subsequent to the issue of Warrants, whether such Shares purchased pursuant to any such share purchase scheme are deemed cancelled or held in treasury.

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- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one cent (S\$0.01) and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Exercise Price. No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5.2 above by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.6 Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warrantholder shall be made unless (i) it has been certified to be in accordance with the formulae stated in Condition 5.2 above by the Auditors; and (ii) if the Warrants are listed and quoted on the SGX-ST on the Market Day immediately before such adjustment, approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. If for any reason an event giving rise to an adjustment (the “**First Adjustment**”) made to the Exercise Price or the number of Warrants held by each Warrantholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warrantholder shall be readjusted to the amount prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.7 Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants held by each Warrantholder provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder should be made notwithstanding that no such adjustment is required or contemplated under the said provisions, the Company may at its discretion appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants held by each Warrantholder has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at the specified office for the time being of the Warrant Agent:
- (a) a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
 - (b) a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment,

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and shall, on request and at the expense of the Warrantholder, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants held by each Warrantholder, the Company will, as soon as practicable but not later than seven (7) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, to his address appearing in the Warrant Register or, in respect of Warrants registered in the name of CDP, to CDP, Provided That if additional Warrants are issued to each Warrantholder as a result of an adjustment which is cancelled, revoked or not completed and the number of Warrants held by each Warrantholder is readjusted pursuant to Condition 5.5, such additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.

- 5.9 If the Directors, the Approved Bank and the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.
- 5.10 Without prejudice to the generality of Condition 5.7, if the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for, Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- 5.11 Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll, and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as the Directors may from time to time think fit, including but not limited to the terms and conditions as set out herein for the Warrants.
- 5.12 If the Company shall purchase or otherwise acquire Shares issued by it pursuant to the provisions of the Act, the Company shall, if so required by the Warrantholders by way of an Extraordinary Resolution, appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.
- 5.13 In giving any certificate or making any adjustment hereunder, the Auditors and the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on the Company, the Warrantholders and all persons having an interest in the Warrants.
- 5.14 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants other than in accordance with the provisions of this Condition 5, shall be subject to the approval of the SGX-ST and agreed to by the Company, the Auditors and the Approved Bank.
- 5.15 Nothing shall prevent or restrict the buy-back of any class of shares in the Company pursuant to applicable law and the requirements of the SGX-ST. No approval or consent of the Warrantholders shall be required for such share buy-back. There shall be no adjustments to the Exercise Price and number of Warrants by reason of such share buy-back.
- 5.16 Pursuant to Rule 830 of the Listing Manual of the SGX-ST, any adjustment to the Exercise Price and/or the number of Warrants in accordance with the provisions of this Condition 5 will also be announced by the Company through SGXNET.

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6. Winding-Up of the Company

- 6.1 If a resolution is passed for a members' voluntary winding-up of the Company then:-
- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warranholders, or some person designated by them for such purpose by Extraordinary Resolution, the terms of such scheme of arrangement shall be binding on all the Warranholders and all persons having an interest in the Warrants; and
 - (b) If notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warranholder shall be entitled, upon and subject to the Conditions, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price and having duly complied with all other conditions set out in Conditions 4.1 and 4.2, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with Condition 12 of the passing of any such resolution within seven (7) Market Days after the passing thereof.
- 6.2 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.

7. Further Issues

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

8. Transfer of Warrants

- 8.1 Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling the Warranholders to subscribe for whole numbers of New Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a New Share or otherwise than as the sole or joint holder of the entirety of such New Share.
- 8.2 Subject to applicable law and other provisions of the Conditions, a Warrant which is not registered in the name of CDP may only be transferred in accordance with the following provisions of this Condition 8.2:-
- (a) the relevant Warranholder ("**Transferor**") shall lodge, during normal business hours at the specified office of the Warrant Agent, the relevant Warrant Certificate(s) registered in the name of the Warranholder together with an instrument of transfer in respect thereof (the "**Transfer Form**"), in the form approved by the Company, duly completed and signed by, or on behalf of, the Warranholder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty, Provided That the Company and the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP;

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- (b) the Transfer Form shall be accompanied by the registration fee of S\$2 (excluding any goods and services tax) for every Warrant Certificate to be transferred together with any stamp duty and goods and services tax (if any) specified by the Warrant Agent, such evidence as the Warrant Agent may require to determine and verify the due execution of the Transfer Form and payment of the expenses of, and submit, such documents as the Warrant Agent may require to effect delivery of the new Warrant Certificate(s) to be issued in the name of the transferee; and
 - (c) the Warrants may only be transferred in lots of 1,000 Warrants or more.
- 8.3 The Warrantholder specified in the Warrant Register or CDP (as the case may be) shall be deemed to remain the Warrantholder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent or in the Depository Register by CDP (as the case may be).
- 8.4 If the Transfer Form has not been fully or correctly completed by the transferring Warrantholder or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the transferring Warrantholder, accompanied by written notice of the omission(s) or error(s) and requesting the transferring Warrantholder to complete and/or amend the Transfer Form and/or to make the requisite payment.
- 8.5 If the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:-
 - (a) register the person named in the Transfer Form as transferee in the Warrant Register as the registered holder of the Warrant in place of the transferring Warrantholder;
 - (b) cancel the Warrant Certificate(s) in the name of the transferring Warrantholder; and
 - (c) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.
- 8.6 The executors or administrators of a deceased registered Warrantholder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders) or, if the registered holders of the Warrants is CDP, of a deceased Depositor and, in the case of the death of one (1) or more of several joint holders, the survivor or survivors of such joint holders, shall be the only person(s) recognised by the Company and the Warrant Agent as having any title to the Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Company and the Warrant Agent such evidence as may be required by the Company and the Warrant Agent to prove their title, and on the completion of a Transfer Form and payment of the fees and expenses referred to in Conditions 8.2 above, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made. Conditions 8.4, 8.5 and 8.7 shall apply *mutatis mutandis* to any transfer of the Warrants by such persons.
- 8.7 With respect to Warrants registered in the name of CDP, any transfer of such Warrants shall be effected subject to and in accordance with these Conditions, applicable law and the rules of CDP as amended from time to time and where the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book entry.
- 8.8 A Transferor or Depositor, as the case may be, shall be deemed to remain a Warrantholder of the Warrant until the name of the transferee is entered in the Warrant Register by the Warrant Agent or in the Depository Register by CDP, as the case may be.
- 8.9 Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the Transferor at the cost of the Transferor, a Warrant Certificate in the name of the Transferor in respect of any Warrants not transferred.

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9. Replacement of Warrant Certificates

If any Warrant Certificate is lost, stolen, destroyed, mutilated or defaced, it may, subject to applicable law and at the discretion of the Company, be replaced upon the request by the Warrantholder at the specified office of the Warrant Agent on payment of such costs as may be incurred in connection therewith, and on such terms as to evidence, indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof), advertisement, undertaking and otherwise as the Company and/or the Warrant Agent may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued. The replacement Warrant Certificate will be issued to the registered holder of the Warrant Certificate replaced.

10. Warrant Agent not Acting for the Warrantholders

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

11. Meetings of Warrantholders and Modification

- 11.1 The Deed Poll contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by extraordinary resolution (“**Extraordinary Resolution**”) of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or by Warrantholders holding not less than ten per cent. (10%) of the Warrants for the time being remaining unexercised (as defined in the Deed Poll). The quorum at any such meeting for passing an Extraordinary Resolution shall be two (2) or more persons present being Warrantholders or proxies duly appointed by Warrantholders holding or representing over fifty per cent. (50%) of the Warrants for the time being unexercised.
- 11.2 At any adjourned meeting, two (2) or more persons present being or representing Warrantholders or proxies duly appointed by the Warrantholders whatever the number of Warrants so held or represented shall form a quorum, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Period), the necessary quorum for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing not less than seventy-five per cent. (75%) or, at any adjournment of such meeting, over fifty per cent. (50%), of the Warrants for the time being remaining unexercised. An Extraordinary Resolution duly passed at any meeting of Warrantholders shall be binding on all Warrantholders, whether or not they are present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgment, confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of Warrantholders.
- 11.3 A resolution in writing signed by all the Warrantholders shall be deemed to be a resolution duly passed by the Warrantholders at a meeting of the Warrantholders duly convened.
- 11.4 The Company may, without the consent of the Warrantholders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants, the Deed Poll or the Warrant Agency Agreement which, in the opinion of the Company:-
- (a) is not materially prejudicial to the interests of the Warrantholders;
 - (b) is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law;
 - (c) is to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or

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- (d) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of New Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Main Board of the SGX-ST.

Any such modification shall be binding on the Warrantheolders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

- 11.5 Any alteration to the terms and/or conditions of the Warrants after the issue thereof must be subject to the approval of the SGX-ST (if required), except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.
- 11.6 Notwithstanding any other provisions as set out in the Deed Poll, any material alteration to the terms and/or conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to the Shareholders must be approved by the Shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants.
- 11.7 Except where the alterations are made pursuant to these Conditions (including but not limited to alterations made pursuant to and in accordance with Condition 5 above or this Condition 11, the Company shall not:-
- (a) extend the Exercise Period;
 - (b) issue new warrants to replace the Warrants;
 - (c) change the Exercise Price; or
 - (d) change the exercise ratio of the Warrants.

12. Notices

- 12.1 All notices to Warrantheolders will be valid if published in a leading daily English language newspaper of general circulation in Singapore. If at any time publication in such newspaper is not practicable, notices will be valid if published in such other manner as the Company, with the approval of the Warrant Agent, shall determine. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.
- 12.2 The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantheolders in accordance with this Condition 12, of the Expiration Date and make an announcement of the same to the SGX-ST. The Company shall also, not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantheolders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Warrant Register or, in the case of Warrantheolders whose Warrants are registered in the name of CDP, their addresses as shown in the records of CDP. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.
- 12.3 Without prejudice to the generality of the foregoing, Warrantheolders who acquire Warrants after notice of the Expiration Date has been given in accordance with these Conditions shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with this Condition 12. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

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13. Stamp Duty on Exercise of Warrants

The Company shall pay all and any stamp duties and other similar taxes or duties payable in Singapore on or in connection with the initial distribution, and the initial issue, of the Warrant Certificates. Any other stamp duties, similar duties or taxes (if any) or other fees payable (including those payable to CDP) on or arising from the ownership, transfer or exercise of the Warrants, shall be for the account of, and payable by, the relevant Warranholder.

14. Third Party Rights

Other than the Company, the Warrant Agent and Warranholders, no person shall have any right to enforce any term or condition of the Warrants, the Deed Poll and these Conditions under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

15. Governing Law

15.1 The Warrants and these Conditions are governed by, and shall be construed in accordance with, the laws of the Republic of Singapore.

15.2 The courts of Singapore are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Warrants and these Conditions and accordingly any legal action or proceedings arising out of or in connection with the Warrants and these Conditions (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

NOTES:-

1. The attention of Warranholders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers (the “**Code**”) and Section 139 and 140 of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”), as amended from time to time. In general terms, these provisions regulate the acquisition of effective control of public companies. Warranholders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warranholder should note that he may be under an obligation to extend a take-over offer of the Company if:
 - (a) he acquires whether by exercise of the Warrants or otherwise, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him (the term “**acting in concert**” as used herein shall have the meaning ascribed thereto by the Code)) carry thirty per cent. (30%) or more of the voting rights of the Company; or
 - (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights of the Company, and he, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than one per cent. (1%) of the voting rights of the Company.
2. The attention of the Warranholders is drawn to Condition 3.2 and 3.3 of the Conditions of the Warrants relating to restrictions on the exercise of the Warrants.
3. A Warranholder who, after the exercise of his Warrants, holds not less than five per cent. (5%) of the total votes attached to all the voting shares in the Company, is under an obligation to notify the Company and the SGX-ST of his interest in the manner set out in Section 82 and Section 83 of the Act and Section 137 of the SFA.

This Offer Information Statement is dated 26 May 2014.

The Directors of the Company collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the Offer Information Statement constitutes full and true disclosure of all material facts about the Bonus Warrants Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted 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 these sources and/or reproduced in this Offer Information Statement in its proper form and context.

Dated 26 May 2014

Board of Directors of TEE International Limited

Phua Chian Kin

Bertie Cheng Shao Shiong

Phua Boon Kin

Saw Chin Choo

Tan Boen Eng

Lee Ah Fong

Gn Hiang Meng