

AEM SINGAPORE PTE. LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 199200362M)

28 May 2021

To: The Shareholders of CEI Limited

Dear Shareholder,

COMPULSORY ACQUISITION OF SHARES IN CEI LIMITED (“COMPANY”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE “COMPANIES ACT”) BY AEM SINGAPORE PTE. LTD. (THE “OFFEROR”) AND RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

1.1 **Offer.** The Offeror refers to the offer document dated 3 March 2021 (the “**Offer Document**”) in respect of the voluntary conditional offer (the “**Offer**”) by PricewaterhouseCoopers Corporate Finance Pte Ltd (“**PwC CF**”), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares (excluding any shares held in treasury) in the capital of the Company (the “**Shares**”) other than those already held by the Offeror as at the date of the Offer in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers.

Unless otherwise defined herein, capitalised terms used in this letter (the “**Letter**”) shall have the same meanings as defined in the Offer Document.

1.2 **Acceptances as at 23 April 2021.** On 23 April 2021, PwC CF announced, for and on behalf of the Offeror, that as at 6.00 p.m. (Singapore time) on 23 April 2021, the Offeror had received valid acceptances in respect of an aggregate of 79,234,997 Shares, representing approximately 91.39% of the total number of issued Shares¹.

1.3 **Close of Offer.** On 26 April 2021, PwC CF announced, for and on behalf of the Offeror, that the Offer had closed at 5.30 p.m. (Singapore time) on 26 April 2021. Accordingly, the Offer is no longer open for acceptance and any acceptances received thereafter will be rejected.

As at the close of the Offer, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 79,864,179 Shares, representing approximately 92.12% of the total number of issued Shares.

1.4 **Right of Compulsory Acquisition.** As the Offeror had received valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror is entitled, and as stated in the Offer Document and as announced on 23 April 2021, intends, to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire, at a consideration equal to the Offer Consideration of S\$1.15 for each Offer Share and on the same terms as those offered under the Offer, all the Shares in respect of which acceptances have not been received by the Offeror as at the close of the Offer.

¹ References in this Letter to the total number of issued Shares are based on 86,698,463 Shares (excluding 1,235,750 treasury shares) in issue.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

- 2.1 **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“CDP”) and/or In.Corp Corporate Services Pte. Ltd. (the “Share Registrar”), as the case may be, as at 5.30 p.m. on 26 April 2021, you have not accepted the Offer in respect of your Shares. Accordingly, the Offeror is writing to inform you that the Offeror wishes to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all your Shares (the “Acquired Shares”) at a consideration of S\$1.15 for each Acquired Share (the “Consideration”) and on the same terms as those offered under the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“Form 57”).

If you have already (a) accepted the Offer in respect of all your Shares by completing and returning a valid Acceptance Form by 5.30 p.m. (Singapore time) on 26 April 2021; or (b) sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (as defined below).

Otherwise, your Shares will be acquired as part of the Offeror’s right of compulsory acquisition.

- 2.2 **Consideration.** The Consideration for each Acquired Share shall be satisfied, at your option, either in cash or a combination of cash and new ordinary shares in the capital of AEM Holdings (the “New AEM Holdings Shares”) in the following proportions:

For each Acquired Share, either:

- (a) **S\$1.15 in cash (the “Cash Consideration”);**
- (b) **S\$0.9775 in cash and 0.0486 New AEM Holdings Shares (the “85/15 Cash Shares Consideration”); or**
- (c) **S\$0.8050 in cash and 0.0972 New AEM Holdings Shares (the “70/30 Cash Shares Consideration” and together with the 85/15 Cash Shares Consideration, the “Cash Shares Consideration Options”).**

Fractions of a New AEM Holdings Share will not be issued to any holder of Acquired Shares who elects either of the Cash Shares Consideration Options, and will be disregarded. The issue price for each New AEM Holdings Share pursuant to the Cash Shares Consideration Options above is S\$3.55.

You can only elect one (1) out of the three (3) forms of the Consideration set out above and not a combination thereof in respect of your Acquired Shares.

If you fail to elect your preferred mode of the Consideration, you will be deemed to have chosen to receive the Cash Consideration in respect of all of your Acquired Shares.

- 2.3 **Form of Election and Authorisation.** If you wish to elect to receive either of the Cash Shares Consideration Options, you should complete, sign and deliver to the Offeror the accompanying Form of Election and Authorisation (“FEA”) not later than:

- (a) **28 June 2021 (being one (1) month from the date of this Letter); or**
- (b) **the date falling 14 days after a statement is supplied pursuant to Section 215(2) of the Companies Act,**

whichever is the later.

If you do not or fail to make an election within the time specified above, you will be deemed to have elected to receive the Cash Consideration in respect of the Acquired Shares. If you wish to receive the Cash Consideration, you need not make an election or take any action.

- 2.4 **Compulsory Acquisition.** The Offeror will exercise its right of compulsory acquisition to acquire the Shares held by you on or after 29 June 2021 (the “**Exercise Date**”), being the day after the expiration of one (1) month after the date on which the Form 57 is given to you subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.
- 2.5 **Registration of Transfer.** On or after the Exercise Date, the Offeror will, *inter alia*, pay, allot or transfer to the Company the Consideration for the Acquired Shares. Upon, *inter alia*, payment, allotment or transfer of the Consideration to the Company as aforesaid, the Company will cause all the Acquired Shares to be transferred to the Offeror and will register the Offeror as the holder of the Acquired Shares as soon as practicable. The cash portion of the Consideration will be credited by the Company into a separate bank account, and such sum and (if you elect to receive either of the Cash Shares Consideration Options) the New AEM Holdings Shares will be held by the Company on trust for you in accordance with paragraph 2.6 below.
- 2.6 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the enclosed Form 57, as soon as practicable after the Exercise Date:
- (a) if you elect to receive the Cash Consideration for all of your Shares, payments for the appropriate amounts will be credited directly into your designated bank account for Singapore Dollars via CDP’s Direct Crediting Service (“**DCS**”) (or, if your Shares are held in scrip form, your designated agents or, in the case of joint accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be, or if you have not subscribed to CDP’s DCS, such payment will be reflected in your CDP statements and once your DCS is set up, all cash balances will be credited into your designated bank account), or in such other manner as you may have agreed with CDP for the payment of any cash distributions; and
 - (b) if you elect to receive the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration for all of your Shares by submitting a duly completed FEA to the Offeror on or before the time specified in paragraph 2.3 above, CDP will send (A) a notification letter stating the number of Shares debited from your Securities Account and the number of New AEM Holdings Shares which have been credited to your Securities Account, by ordinary post to your address as it appears in the records of CDP (or in such other manner as you may have agreed with CDP for the payment of any cash distribution), and (B) payment for the cash component of the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration (as the case may be) which will be credited into your designated bank account for Singapore Dollars via CDP’s DCS for the appropriate amount (or, if you have not subscribed to CDP’s DCS, such payment will be reflected in your CDP statements and once your DCS is set up, all cash balances will be credited into your designated bank account).
- 2.7 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and to entitle you to payment for your Shares, which payment will be made to you in accordance with paragraphs 2.5 and 2.6 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require the Offeror to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”) is enclosed with this Letter. Subject to and in accordance with Section 215 of the Companies Act, you may, within three (3) months from the giving of the Form 58 to you (that is, by 28 August 2021), require the Offeror to acquire your Shares, and the Offeror shall be entitled and bound to acquire your Shares at the Consideration and on the same terms as those offered under the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).

3.2 **No Action Needed.** As the Offeror will be proceeding to compulsorily acquire your Shares on the terms set out in the enclosed Form 57 and as described in paragraph 2 above, **you need not take any action in relation to Form 58. Nevertheless, if you wish to exercise your right under Section 215(3) of the Companies Act or if you are in any doubt, you should seek your own independent legal advice.**

4. DELISTING

4.1 **Free Float Requirement.** Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the Shares (excluding treasury shares) is at all times held by the public (the “**Free Float Requirement**”). As announced by the Company on 24 April 2021, the Free Float Requirement is no longer satisfied. As stated in the Offer Document, the Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company nor undertake or support any action for any trading suspension in the Shares to be lifted.

4.2 **Listing Status of the Company.** The Offer has closed as at 5.30 p.m. (Singapore time) on 26 April 2021 and trading of the Shares has been suspended with effect from 9.00 a.m. (Singapore time) on 27 April 2021. The Company will be delisted from the SGX-ST upon the completion of the compulsory acquisition by the Offeror under Section 215(1) of the Companies Act. The date on which the Company will be delisted from the SGX-ST will be announced in due course.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57, Form 58 and FEA immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee of your Shares.

6. RESPONSIBILITY STATEMENT

The Directors of the Offeror and AEM Holdings (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company Group), the sole responsibility of the Directors of the Offeror and AEM Holdings has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

Yours faithfully,
For and on behalf of
AEM Singapore Pte. Ltd.



Chandran Ramesh Nair
Director

Enclosed: Form 57 and Form 58