

PROPOSED RENOUNCEABLE RIGHTS ISSUE

1. INTRODUCTION

1.1 The board of directors (the "**Board**" or "**Directors**") of mm2 Asia Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a renounceable rights issue (the "**Rights Issue**") of up to 1,776,154,610 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.02 for each Rights Share (the "**Issue Price**"), on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the "**Shares**") held by Entitled Shareholders (as defined below) as at a time and date to be determined by the Directors for the purposes of determining Shareholders' entitlement under the Rights Issue (the "**Record Date**").

1.2 The principal terms of the Rights Issue are summarised below:

Issue Price : S\$0.02 for each Rights Share, payable in full upon acceptance and/or application.

Discount (specifying benchmarks and periods) : The Issue Price represents a discount of approximately:

- (a) 50% to the closing price of S\$0.04 per Share on 29 September 2023, being the trading day ending on the date of this announcement; and
- (b) 40% to the theoretical ex-rights price of S\$0.033 per Share based on the closing price of S\$0.04 per Share on 29 September 2023, being the trading day ending on the date of this announcement.

Allotment Ratio : The Rights Issue will be offered on a renounceable basis to Entitled Shareholders (as defined below) on the basis of one (1) Rights Share for every two (2) existing Shares, fractional entitlements to be disregarded.

Use of Proceeds : Please refer to paragraph 4 of this announcement for details on the use of proceeds from the Rights Issue.

Purpose of Rights Issue : Please refer to paragraph 3 of this announcement for details on the rationale for the Rights Issue.

1.3 The Company will be convening an extraordinary general meeting (the "**EGM**") to seek the approval of its shareholders ("**Shareholders**") for the issue and allotment of the Rights Shares, among others.

1.4 Under the Rights Issue, Mr Oei Hong Leong ("**OHL**") and Mr Goi Seng Hui ("**GSH**") provided an undertaking to subscribe for the OHL Excess Rights Shares (as defined below) and the GSH Excess Rights Shares (as defined below) respectively, which could result in a transfer of controlling

interest. Pursuant to Rule 803 of the listing manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**"), the Company must not issue Shares to transfer a controlling interest without prior approval of the Shareholders in a general meeting. Accordingly, the Company will also be seeking Shareholders' approval for the transfer of controlling interest that may arise as a result of each of OHL and GSH applying for the OHL Excess Rights Shares and the GSH Excess Rights Shares respectively pursuant to their respective Irrevocable Undertakings (as defined below) at the EGM (the "**Transfer of Controlling Interest**").

2. **PRINCIPAL TERMS OF THE RIGHTS ISSUE**

2.1 **Basis of Provisional Allotment**

Pursuant to the Rights Issue, up to 1,776,154,610 Rights Shares will be offered at the Issue Price, on a *pro rata*, renounceable basis of one (1) Rights Share for every two (2) existing Shares held by the Entitled Shareholders (as defined below) as at the Record Date, fractional entitlements to be disregarded.

2.2 **Warrants and Convertible Securities**

Warrants

The Company had on 30 December 2022 issued exchangeable bonds with a principal amount of S\$54,000,000, coupled with 250,000,000 detachable warrants ("**Warrants**"). Each Warrant will, subject to the terms and conditions of the Warrants, entitle the warrant holder to subscribe for one (1) new ordinary share in the capital of the Company ("**Warrant Share**") at the exercise price of S\$0.065 for each Warrant Share ("**Exercise Price**"). The Warrants are exercisable during the period commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. on the fifth (5th) anniversary of the date of issue of the Warrants ("**Exercise Period**"). As at the date of this announcement, 250,000,000 Warrants remain outstanding ("**Outstanding Warrants**"). The Warrants may or may not be exercised prior to the Record Date. Under the terms of the Warrants issue, the number of Warrants and/or Exercise Price will be adjusted in the event of any rights issue of the Company. Details of such adjustment will be announced by the Company separately in due course.

Convertible Securities

The Company had issued unlisted, unsecured, redeemable, convertible and exchangeable bonds with a principal amount of S\$30,702,000 effective from 1 January 2023 ("**Bonds**") which form part of the settlement and repayment of existing debts of mm Connect Pte. Ltd. ("**mm Connect**"). Subject to the terms and conditions of the Bonds, a holder of the Bonds is entitled to exercise either a conversion right or an exchange right (but not both) in respect of up to 100% of his/its Bonds. The conversion right entails the conversion of the outstanding principal amount of the Bonds into fully registered and freely tradable new ordinary shares ("**Conversion Shares**") in the share capital of the Company (subject to regulatory and other necessary approvals) at S\$0.06 per Conversion Share, subject to any SGX-ST requirements governing volume weighted average price to prevailing share price discount of the Company if applicable and any adjustment from time to time ("**Bonds Conversion Price**"), and such conversion may be requested at any time, from and including the respective date on which the Bonds are issued and registered up to the close of business in Singapore on the date falling on the second anniversary of the date of issuance of the Bonds unless previously redeemed or purchased and cancelled. The maximum number of Conversion Shares to be allotted and issued by the Company pursuant to the full conversion of the Bonds is up to 511,700,000 new ordinary shares (based on the principal amount of the Bonds, the Bonds Conversion Price and assuming no adjustments to the Bonds Conversion Price) ("**Outstanding**

Conversion Shares"). The Bonds may or may not be converted on or prior to the Record Date. Under the terms of the Bonds issue, the Bonds Conversion Price will be adjusted in the event of any rights issue of the Company. Details of such adjustment will be announced by the Company separately in due course.

Save for the Outstanding Warrants and Outstanding Conversion Shares, the Company does not have any other outstanding warrants or convertible securities as at the date of this announcement.

2.3 **Size of the Rights Issue**

Based on the Company's issued and paid-up share capital comprising 2,790,609,220 Shares (excluding treasury shares and subsidiary holdings (if any) as at the date of this announcement):

- (a) (for illustration purposes only) under the Maximum Subscription Scenario (as defined below), the Company will allot and issue 1,776,154,610 Rights Shares under the Rights Issue and the issued and paid-up share capital of the Company will increase from 2,790,609,220 Shares to 5,328,463,830 Shares.
- (b) (for illustration purposes only) under the Minimum Subscription Scenario (as defined below), the Company will allot and issue 1,395,304,610 Rights Shares under the Rights Issue and the issued and paid-up share capital of the Company will increase from 2,790,609,220 Shares to 4,185,913,830 Shares.

The Company does not hold any Shares in treasury and does not have any subsidiary holdings as at the date of this announcement.

2.4 **Authority to issue the Rights Shares**

The Company will be seeking approval from the Shareholders for, among others, the allotment and issue of the Rights Shares at the EGM to be convened. A circular to Shareholders setting out, amongst other things, the details of, and other relevant information pertaining to the Rights Issue, together with the notice of the EGM, will be despatched to the Shareholders in due course.

2.5 **Irrevocable Undertakings**

As an indication of their support for the Rights Issue and to demonstrate their commitment to and confidence in the Company, each of OHL and GSH, being substantial Shareholders of the Company, has given an irrevocable undertaking to the Company in respect of the Rights Issue (the "**Irrevocable Undertakings**"). Details of the Irrevocable Undertakings are set out below.

As at the date of this announcement:

- (a) OHL holds an aggregate of 235,776,100 Shares, representing 8.45% of the existing issued and paid-up share capital of the Company. Accordingly, OHL will be entitled to subscribe for an aggregate of 117,888,050 Rights Shares ("**OHL Entitled Rights Shares**"); and
- (b) GSH holds an aggregate of 190,000,000 Shares, representing 6.81% of the existing issued and paid-up share capital of the Company. Accordingly, GSH will be entitled to subscribe for an aggregate of 95,000,000 Rights Shares ("**GSH Entitled Rights Shares**").

Pursuant to the Irrevocable Undertakings dated 26 September 2023 and 25 September 2023 to the Company respectively, each of OHL and GSH have provided the following undertakings to the Company.

Each of OHL and GSH have undertaken to:

- (a) participate in the Rights Issue by subscribing and paying in full for, in respect of OHL, the OHL Entitled Rights Shares, and, in respect of GSH, the GSH Entitled Rights Shares, each pursuant to the terms and conditions of the Rights Issue in accordance with the procedures for subscription as set out in the offer information statement ("**Offer Information Statement**") and on the basis of the Undertaken Shares (as defined below) owned as at the Record Date; and
- (b) within such time and date to be informed by the Company (to the extent permitted by the SGX-ST, the Central Depository (Pte) Limited ("**CDP**") or any relevant authority), and in accordance with the terms of the Rights Issue, make excess applications and payment for, in respect of OHL, up to 591,208,280 Excess Rights Shares (as defined below) (the "**OHL Excess Rights Shares**"), and, in respect of GSH, up to 591,208,280 Excess Rights Shares (as defined below) (the "**GSH Excess Rights Shares**"), that remain unsubscribed for by the Entitled Shareholders (as defined below) at the closing date of the Rights Issue after satisfying all applications and excess applications (if any) for the Rights Shares, provided that following the completion of the Rights Issue, the total shareholding of OHL and those parties acting in concert with him, and the total shareholding of GSH and those parties acting in concert with him, each remain less than 30.0% of the total enlarged issued and paid-up share capital of the Company.

In addition to the above, pursuant to the terms of the Irrevocable Undertakings, each of OHL and GSH has also provided the following undertakings in favour of the Company.

Each of OHL and GSH shall:

- (a) from the date of the Irrevocable Undertakings up to the Record Date, remain the legal and beneficial owner of, in respect of OHL, 235,776,100 Shares, and, in respect of GSH, 190,000,000 Shares, and any additional Shares each of them may acquire (collectively and respectively, the "**Undertaken Shares**"), and together with all rights now and hereafter attaching thereto;
- (b) not on or before the Record Date, sell, transfer or otherwise dispose of or encumber their respective Undertaken Shares (or any interest therein);
- (c) vote in favour of the proposed Rights Issue, including the allotment and issuance of the Rights Shares, at the EGM; and
- (d) do and/or procure the doing of all such acts and things, provide all such information, confirmations, undertakings and/or certificates and execute and/or procure the execution of all such documents as may be reasonably required to give effect to the undertakings contained in the Irrevocable Undertakings (including but not limited to such information, confirmations, undertakings, certificates and/or documents as may be required by the SGX-ST, the Monetary Authority of Singapore, the Securities Industry Council and/or any other regulatory authorities in Singapore), and acknowledges that in not making any underwriting arrangements in respect of the Rights Shares, the Company will be relying on the representations, warranties and undertakings contained in the Irrevocable Undertakings and that time of performance on each of their parts shall be of the essence in respect of the aforesaid and each of their other obligations under the Irrevocable Undertakings, and each of them shall not withdraw the undertakings referred to under the Irrevocable Undertakings.

The Irrevocable Undertakings shall lapse and cease to have any effect on the earlier of:

- (a) one (1) day immediately after the last time and date for acceptance and payment for the Rights Shares under the Rights Issue; and
- (b) the Rights Issue being withdrawn, lapsed or closed.

2.6 **Resultant Shareholdings of OHL and GSH based on the Maximum Subscription Scenario and Minimum Subscription Scenario**

The "**Maximum Subscription Scenario**" assumes that (a) save for the assumption in (b), there will be no new Shares issued by the Company from the date of this announcement up to the Record Date; (b) all Outstanding Warrants and Outstanding Conversion Shares are exercised or converted before the Record Date; and (c) all Entitled Shareholders (as defined below) subscribe for their respective *pro rata* entitlements to the Rights Shares under the Rights Issue. The aggregate voting rights of each of OHL and GSH after the close of the Rights Issue will be at approximately 6.64% and 5.35% respectively of the Company's aggregate voting rights (based on the enlarged share capital of the Company after the Rights Issue).

The "**Minimum Subscription Scenario**" assumes that (a) there will be no new Shares issued by the Company from the date of this announcement up to the Record Date; (b) apart from OHL and GSH, none of the Entitled Shareholders (as defined below) subscribe for their respective *pro rata* entitlements to the Rights Shares under the Rights Issue; (c) OHL and GSH subscribe for the OHL Entitled Rights Shares and the GSH Entitled Rights Shares respectively, each in accordance with the terms of the Irrevocable Undertakings; (d) none of the Outstanding Warrants and Outstanding Conversion Shares are exercised or converted before the Record Date; and (e) OHL and GSH make excess applications for OHL Excess Rights Shares and GSH Excess Rights Shares respectively, each in accordance with the terms of the Irrevocable Undertakings.

In such a Minimum Subscription Scenario, the aggregate voting rights of each of OHL and GSH after the close of the Rights Issue will increase from approximately 8.45% and 6.81% as at the date of this announcement to approximately 22.57% and 20.93% respectively of the Company's aggregate voting rights of the enlarged share capital of the Company after the Rights Issue.

2.7 **Ranking of the Rights Shares**

The Rights Shares will be payable in full upon acceptance and/or application. The Rights Shares, when issued and allotted, will rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

For this purpose, a "record date" means, 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's share registrar, B.A.C.S. Private Limited (the "**Share Registrar**"), or the CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.8 **Provisional Allotments and Excess Applications**

Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be tradable on the Mainboard of the SGX-ST over a period to be determined by the Directors in compliance with the Listing Manual. Entitled Shareholders (as defined below) will be at liberty to

accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors (as defined below) only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares ("**Excess Rights Shares**") in excess of their provisional allotments under the Rights Issue.

Entitlements which are not allotted or taken up for any reason (including any fractional entitlements to the Rights Shares) will be aggregated and used to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, subject to applicable laws and the Listing Manual.

In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, whereas Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company, or the terms of the Rights Issue, or have a representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

For the avoidance of doubt, the Company will not issue and allot any of the OHL Excess Rights Shares and/or GSH Excess Rights Shares that would result in a transfer of controlling interest to OHL and/or GSH unless Shareholders' approval for the Transfer of Controlling Interest has been obtained at the EGM.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

2.9 **Scaling Down of Subscriptions**

The Singapore Code on Take-overs and Mergers (the "**Code**") regulates the acquisition of ordinary shares of, among others, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a mandatory general offer for the remaining Shares in the Company in accordance with the provisions of the Code.

Depending on the level of subscription for the Rights Issue, the Company may, if necessary, scale down each of OHL and GSH's applications for the OHL Excess Rights Shares and GSH Excess Rights Shares respectively pursuant to their respective Irrevocable Undertakings to avoid placing either of them and/or parties acting in concert with them (as defined in the Code) in the position of incurring an obligation to make a mandatory general offer under the Code as a result of other Entitled Shareholders (as defined below) not taking up, whether partly or in full, their provisional allotments of the Rights Shares.

2.10 **Non-underwritten basis of the Rights Shares**

The Rights Issue will not be underwritten.

The Directors are of the opinion that the Irrevocable Undertakings provide a strong indication of shareholders' support for the Rights Issue, hence the Company shall proceed to undertake the

Rights Issue on a non-underwritten basis.

The Rights Issue cannot be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Listing Manual.

3. RATIONALE FOR THE RIGHTS ISSUE

Even as the impact of Covid-19 abated in Singapore and the region, new economic headwinds emerged, slowing down the pace of recovery. Nevertheless, as governments across Asia eased pandemic restrictions, the Group's business began to pick up. While the Group has yet to return to pre-pandemic numbers, the results have been encouraging. The road to full recovery and beyond is within sight.

The Company's core content creation business grew by 38% to S\$101.3 million in FY2023, setting a new revenue record, and surpassing the previous revenue record for the core business of S\$99.5 million back in pre-pandemic FY2019.

The concerts business bounced back significantly after the capacity restrictions for public performance venues were progressively lifted from April 2022, recording a revenue of S\$29.2 million and gross profit of S\$7.6 million as compared to a gross loss of approximately S\$0.8 million in FY2022.

The cinema business continued to improve with on-going cost rationalisation and the development of new revenue models.

To enhance the Group's ability to formulate, strategise and execute its business plans to capture the continued recovery of all its business segments, the Group is undertaking the Rights Issue to strengthen its financial position by augmenting the Group's balance sheet and capital base, and paring down borrowings and gearing of the Group. The Rights Issue will also provide the Shareholders with an opportunity to participate in the further equity funding of the Company.

4. PROCEEDS FROM THE RIGHTS ISSUE

4.1 Amount of Proceeds Proposed to be Raised

The Company expects to receive net proceeds (the "Net Proceeds") of approximately S\$34.9 million under the Maximum Subscription Scenario and approximately S\$27.3 million under the Minimum Subscription Scenario, after deducting estimated expenses of approximately S\$0.6 million to be incurred in connection with the Rights Issue.

4.2 Use of Proceeds

The Company intends to utilize the Net Proceeds under both the Maximum Subscription Scenario and the Minimum Subscription Scenario for the following purposes:

Maximum Subscription Scenario

Use of Net Proceeds	Amount (S\$'000)	Percentage of Net Proceeds (%)
General working capital requirements of the Group	13,969 – 17,461	40 - 50

Repayment of banking facilities	17,462 – 20,954	50 - 60
Total	34,923	100

Minimum Subscription Scenario

Use of Net Proceeds	Amount (S\$'000)	Percentage of Net Proceeds (%)
General working capital requirements of the Group	10,922 – 13,653	40 - 50
Repayment of banking facilities	13,653 – 16,384	50 - 60
Total	27,306	100

Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may, subject to relevant laws and regulations, be placed as deposits with banks and/or financial institutions, or invested in short-term money market instruments or debt instruments and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.

Pursuant to Rule 704(30) and 1207(20) of the Listing Manual, the Company will make periodic announcements on the utilisation of the proceeds from the Rights Issue via SGXNET, as and when the funds from the Rights Issue are materially disbursed whether such a use is in accordance with the stated use and in accordance with the percentage allocated; and provide a status report in the Company's annual report on the use of proceeds from the Rights Issue, and where there is any material deviation from the stated use of proceeds from the Rights Issue, to announce the reasons for such deviation. Where the proceeds from the Rights Issue are used for general working capital purposes, the Company will disclose a breakdown with specific details on the use of the proceeds for working capital in the Company's announcement(s) and in the Company's annual report.

5. OPINION OF DIRECTORS

The Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. The Rights Issue will also provide the Shareholders with an opportunity to participate in the growth and expansion of the Group's business and also to maintain their *pro rata* equity interests in the Company by accepting their *pro rata* entitlements to the Rights Issue, as well as applying for Excess Rights Shares at the Issue Price. For the reasons outlined in paragraph 3 above, the Directors believe the Rights Issue is in the interest of the Group.

6. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

6.1 Entitled Shareholders

The Company proposes to provisionally allot the Rights Shares to all Shareholders who are eligible to participate in the Rights Issue on the basis of their shareholdings in the Company as at the

Record Date (the "**Entitled Shareholders**"). The Entitled Shareholders comprise Entitled Depositors and Entitled Scripholders (each as defined below).

Entitled Shareholders will be entitled to participate in the Rights Issue and receive the Offer Information Statement (through electronic dissemination, if applicable) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Share Registrar, as the case may be.

6.2 **Entitled Depositors**

"**Entitled Depositors**" are Shareholders with Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Record Date, provided that such Entitled Depositors have registered addresses in Singapore with CDP as at the Record Date or if they have registered addresses outside Singapore, they have provided CDP with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts as at 5.00 p.m. (Singapore time) on the Record Date.

6.3 **Entitled Scripholders**

"**Entitled Scripholders**" are Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar, registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date, provided that such Entitled Scripholders have registered addresses in Singapore with the Company as at the Record Date or if they have registered addresses outside Singapore, they have provided the Share Registrar with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received by 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

6.4 **Foreign Shareholders**

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the rights to the Rights Shares will NOT be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date, provided CDP or the Company's Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**"). Entitlements to the Rights Shares which would otherwise accrue to Foreign Shareholders will, if practicable, be sold "nil-paid" on the SGX-ST after dealings in the provisional allotments of the Rights Shares commence, and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement to be issued for the Rights Issue.

7. **NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT**

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets

products (as defined in the Securities and Futures (Capital Markets Products Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAAN16: Notice on Recommendations on Investment Products).

8. PRIOR EQUITY FUNDRAISING

Save for the issue of the Warrants as described in paragraph 2.2 above, the Company has not undertaken any previous equity fund raising in the past 12 months.

9. APPROVALS

9.1 Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the resolution approving the proposed Rights Issue, including the allotment and issuance of the Rights Shares (the "**Rights Issue Resolution**"), having been passed by the Shareholders at the EGM;
- (b) the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, such approval not having been withdrawn or revoked as at the date of completion of the Rights Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (c) the lodgement by the Company of the Offer Information Statement together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, with the Monetary Authority of Singapore; and
- (d) all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before the last time and date for acceptance of and/or excess application and payment and renunciation of the Rights Shares, under the Rights Issue.

Shareholders should note that the passing of the resolution approving the Transfer of Controlling Interest to each of OHL and GSH (each, a "**Transfer Resolution**") is conditional on the passing of the Rights Issue Resolution at the EGM. Therefore, if the Rights Issue Resolution is not passed, the Transfer Resolution in respect of each of OHL and GSH (even if approved by Shareholders at the EGM) will not be passed. The passing of the Rights Issue Resolution is not conditional upon the passing of the Transfer Resolution in respect of each of OHL and GSH and the Company may still elect to proceed with the Rights Issue if only the Rights Issue Resolution is approved at the EGM. If Shareholders' approval is not obtained for the Transfer Resolution in respect of each of OHL and GSH, the Company will scale down each of OHL and GSH's applications for the OHL Excess Rights Shares and GSH Excess Rights Shares respectively pursuant to their respective Irrevocable Undertakings to avoid the transfer of a controlling interest in the Company.

9.2 An application will be made to the SGX-ST for permission to deal in and for the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST. An appropriate announcement will be made in due course when the Company receives the approval in-principle for the Rights Shares from the SGX-ST.

9.3 The Record Date will also be fixed in due course after obtaining the approval in-principle from the

SGX-ST, for which an announcement on the Record Date will be separately made by the Company in due course.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement and save for their interests arising by way of their respective shareholding interest in the Company and/or directorships in the Group, as the case may be, none of the Directors nor, to the best of the Directors' knowledge, any of the substantial Shareholders, has any interest, whether direct or indirect, in the transactions contemplated in this announcement.

11. FURTHER ANNOUNCEMENTS

The Company will make the necessary follow-up announcement(s) as and when required and/or material developments arise in respect of the Rights Issue.

12. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and where in doubt as to the action they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional adviser(s) immediately.

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

BY ORDER OF THE BOARD

Melvin Ang Wee Chye
Executive Chairman