

OFFER INFORMATION STATEMENT DATED 20 MAY 2016

(Lodged with the Singapore Exchange Securities Trading Limited (the "SGX-ST"), acting as agent on behalf of the Monetary Authority of Singapore (the "Authority"), on 20 May 2016)

THIS OFFER INFORMATION STATEMENT 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(S).

The securities offered are issued by Starburst Holdings Limited (the "Company"), an entity whose shares are listed for quotation on Catalist (as defined herein). The Company intends to list the Warrants (as defined herein) and the New Shares (as defined herein), and an application has been made for permission for the same to be listed and quoted on Catalist. A listing and quotation notice ("LQN") has been obtained from the SGX-ST on 12 April 2016 for the listing of and quotation for the Warrants and the New Shares on Catalist, subject to certain conditions. The LQN granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Warrants, the New Shares, the Company, its subsidiaries and their securities. The Warrants and the New Shares will be respectively admitted to Catalist and official quotation will commence after all conditions imposed by the SGX-ST have been satisfied, including in respect of the Warrants, a sufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants, the Warrant certificates having been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") having been despatched.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This offer is made in or accompanied by an offer information statement (the "Offer Information Statement"), together with a copy of the Provisional Allotment Letter ("PAL"), the Warrants and Excess Warrants Application Form ("WEWAF") and the Warrants Application Form ("WAF"), which have been lodged with the SGX-ST, acting as agent on behalf of the Authority.

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Information Statement. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Information Statement, the PAL, the WEWAF and the WAF, including the correctness or accuracy of any of the statements or opinions made or reports contained herein. Neither the Authority nor the SGX-ST has in any way considered the merits of the Company and its subsidiaries, the Shares, the Rights Issue, the Warrants and/or the New Shares being offered or in respect of which an invitation is made for investment.

The lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, or requirements in the SGX-ST Listing Manual Section B: Rules of Catalist, have been complied with.

This Offer Information Statement has been prepared solely in relation to the issue of the Warrants and the New Shares and shall not be relied upon by any person for any other purpose.

IT SHOULD BE NOTED THAT THE WARRANTS MAY NOT BE LISTED AND QUOTED ON CATALIST IN THE EVENT OF AN INSUFFICIENT SPREAD OF HOLDINGS OF THE WARRANTS TO PROVIDE FOR AN ORDERLY MARKET IN THE TRADING OF THE WARRANTS. IN SUCH AN EVENT, HOLDERS OF THE WARRANTS WILL NOT BE ABLE TO TRADE THEIR WARRANTS ON CATALIST. HOWEVER, IF HOLDERS OF THE WARRANTS EXERCISE THEIR RIGHTS, SUBJECT TO THE TERMS AND CONDITIONS OF THE WARRANTS, TO CONVERT THEIR WARRANTS INTO NEW SHARES, SUCH NEW SHARES WILL BE LISTED AND QUOTED ON CATALIST.

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of securities, or allot, issue or sell any securities, on the basis of this Offer Information Statement, and no officer or equivalent person or promoter of the Company will authorise or permit the offer of any securities or the allotment, issue or sale of any securities, on the basis of this Offer Information Statement.

Acceptance of applications will be conditional upon issue of the securities and upon listing of the issued securities of the Company. Monies paid in respect of any application accepted will be returned if the listing of the securities does not proceed.

This Offer Information Statement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, DBS Bank Ltd. (the "Sponsor") for compliance with the relevant rules in the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this Offer Information Statement.

The contact person for the Sponsor is Mr. Koh Boon Pin, Senior Vice President, Capital Markets, DBS Bank Ltd., at 12 Marina Boulevard Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, tel.: +65 6878 8888.

**STARBURST HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore on 28 October 2013)

(Company Registration Number: 201329079E)

Issue Manager of the Rights Issue



RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 62,500,000 WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF S\$0.01 ("ISSUE PRICE") FOR EACH WARRANT, WITH EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY ("NEW SHARE") AT AN EXERCISE PRICE OF S\$0.25 FOR EACH NEW SHARE ("EXERCISE PRICE"), ON THE BASIS OF ONE (1) WARRANT FOR EVERY FOUR (4) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY ("SHARES") HELD BY THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS") AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS ISSUE")

IMPORTANT DATES AND TIMES

Last date and time for splitting	: 2 June 2016 at 5.00 p.m.
Last date and time for acceptance and payment	: 8 June 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation and payment	: 8 June 2016 at 5.00 p.m.
Last date and time for excess application and payment	: 8 June 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

IMPORTANT NOTICE

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

For Entitled Depositors (which excludes Entitled Scripholders and investors who hold Shares through finance companies or Depository Agents), acceptances of the Warrants and/or (if applicable) applications for excess Warrants may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Warrants and/or (if applicable) applications for excess Warrants may be made through the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Warrants and/or (if applicable) applications for excess Warrants must be done through the respective finance companies or Depository Agents. Such investors are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances and (if applicable) applications for excess Warrants on their behalf by the Closing Date. Any acceptance of the Warrants and/or (if applicable) application for excess Warrants made directly through CDP, the Share Registrar, the Company and/or Electronic Applications will be rejected.

The existing Shares are quoted on Catalist.

Persons wishing to subscribe for the Warrants offered by this Offer Information Statement should, before deciding whether to do so, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, risk factors, 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). It is recommended that such persons seek professional advice from their legal, financial, tax or other professional adviser(s) before deciding whether to acquire any Warrants or invest in the Company.

No person has been authorised to give any information or to make any representation, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the allotment and issue of the Warrants or the New Shares and, if given or made, such information or representation must not be relied upon as having been authorised by the Company, the Group, the Sponsor or the Issue Manager. Save as expressly stated in this Offer Information Statement, nothing contained in this Offer Information Statement is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company and/or the Group.

Neither the delivery of this Offer Information Statement nor the issue of the Warrants or the New Shares shall, under any circumstances, constitute a 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 in this Offer Information Statement since the date of this Offer Information Statement. Where such a change occurs after the date of this Offer Information Statement and is material, or is required to be disclosed by law and/or the SGX-ST,

IMPORTANT NOTICE

the Company may make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority. All Entitled Shareholders and their renounees shall take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such a change.

The Company is not making any representation to any person regarding the legality of an investment in the Rights Issue, 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 or tax advice. Each prospective investor should consult his own professional or other adviser(s) for business, legal or tax advice regarding an investment in the Rights Issue, the Warrants, the New Shares and/or the Shares.

Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept or purchase the Warrants. Prospective subscribers or purchasers of the Warrants should rely on their own investigation of the financial condition and affairs of, and 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 its accompanying documents have been prepared solely in relation to the issue of the Warrants and the New Shares and shall not be relied upon by any person for any other purpose.

This Offer Information Statement, including the PAL, the WEWAF and the WAF, may not be used for the purpose of, and do not constitute, an offer to, invitation to or solicitation by anyone in any jurisdiction or in any circumstance 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.

The distribution of this Offer Information Statement and/or its accompanying documents 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. Entitled Shareholders, their renounees, purchasers of the provisional allotment of Warrants or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company, the Sponsor or the Issue Manager. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

**IMPORTANT NOTICE TO INVESTORS WHO HOLD SHARES
THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT**

Investors who hold Shares through a finance company and/or Depository Agent can only accept their provisional allotment of Warrants and/or (if applicable) apply for excess Warrants by instructing the relevant finance company and/or Depository Agent to do so on their behalf in accordance with this Offer Information Statement.

ANY APPLICATION MADE DIRECTLY BY THE ABOVEMENTIONED INVESTORS TO CDP, THE SHARE REGISTRAR, THE COMPANY OR BY WAY OF ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS WILL BE REJECTED.

The abovementioned investors, where applicable, will receive notification letters from their respective finance companies and/or Depository Agents and should refer to such notification letters for details of the last date and time to submit acceptances and/or applications to their respective finance companies and/or Depository Agents.

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DEFINITIONS

For the purposes of this Offer Information Statement, the PAL, the WEWAF and the WAF, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated.

“1Q2015”	:	The three (3) month financial period ended 31 March 2015
“1Q2016”	:	The three (3) month financial period ended 31 March 2016
“Announcement”	:	The announcement released by the Company on 7 March 2016 in relation to the Rights Issue
“Approved Bank”	:	Any bank or merchant bank in Singapore selected by the Directors
“ATM”	:	Automated teller machine
“Auditors”	:	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 requested of them pursuant to the provisions of the Deed Poll or the terms and conditions of the Warrants, such other auditors as may be nominated by the Company
“Authority”	:	The Monetary Authority of Singapore
“Board”	:	The board of directors of the Company, as at the date of this Offer Information Statement
“Books Closure Date”	:	5.00 p.m. on 20 May 2016, 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 provisional allotment of Entitled Shareholders under the Rights Issue
“Business Day”	:	A day (other than a Saturday, Sunday or public holiday) on which banks in Singapore, the SGX-ST, CDP, the Share Registrar and the Warrant Agent are open for business in Singapore
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited

DEFINITIONS

- “Closing Date”** : (a) 5.00 p.m. on 8 June 2016 (or such other time and/or date as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment, for renunciation of and payment for the Warrants and (if applicable) application and payment for excess Warrants under the Rights Issue through CDP or the Share Registrar respectively; or
- (b) 9.30 p.m. on 8 June 2016 (or such other time and/or date as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment, for renunciation of and payment for the Warrants and (if applicable) application and payment for excess Warrants under the Rights Issue by way of an Electronic Application
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Company”** : Starburst Holdings Limited
- “Deed Poll”** : The deed poll dated 19 May 2016 executed by the Company for the purpose of constituting the Warrants (as the same may be amended or supplemented from time to time) and containing, amongst others, provisions for the protection of the rights and interests of Warrantholders
- “Directors”** : The directors of the Company, as at the date of this Offer Information Statement
- “Electronic Application”** : Acceptance of the Warrants and (if applicable) application for excess Warrants made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application through an ATM as set out in this Offer Information Statement or on the ATM screens of the relevant Participating Bank
- “Entitled Depositors”** : Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents

DEFINITIONS

- “Entitled Scripholders”** : Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”** : Entitled Depositors and Entitled Scripholders collectively
- “EPS”** : Earnings per Share
- “Executive Officers”** : The executive officers of the Company as at the date of this Offer Information Statement
- “Exercise Period”** : The period during which the Warrants may be exercised, being the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiry Date
- “Exercise Price”** : The sum payable in respect of each New Share to which the Warrantholder will be entitled to subscribe for upon the exercise of a Warrant, which shall be S\$0.25, subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
- “Exercise Proceeds”** : Has the meaning ascribed to it in paragraph 2 of Part IV of this Offer Information Statement
- “Existing Share Capital”** : The existing issued share capital of the Company of 250,000,000 Shares as at the Latest Practicable Date
- “Expiry Date”** : The date on which the Warrants will expire, being the date immediately preceding the fifth (5th) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members is closed or is not a Market Day, in which event, the Expiry Date shall be the immediately preceding Market Day on which the Register of Members remains open, but excluding such period(s) during which the Register of Warrantholders may be closed, subject to the terms and conditions of the Warrants as set out in the Deed Poll
- “Foreign Purchasers”** : Persons purchasing the provisional allotment of Warrants through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore

DEFINITIONS

“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 the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
“FY”	:	Financial year ended or ending 31 December, as the case may be
“Group”	:	The Company and its subsidiaries, collectively
“Irrevocable Undertakings”	:	Has the meaning ascribed to it in paragraph 1(f) of Part X of this Offer Information Statement
“Issue Manager”	:	DBS Bank Ltd.
“Issue Price”	:	The issue price of each Warrant, being S\$0.01
“Latest Practicable Date”	:	16 May 2016, being the latest practicable date prior to the lodgement of this Offer Information Statement
“LPS”	:	Loss per Share
“LQN”	:	The listing and quotation notice obtained from the SGX-ST on 12 April 2016 for the listing of and quotation for the Warrants and the New Shares on Catalist, subject to certain conditions
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Maximum Subscription Scenario”	:	Has the meaning ascribed to it in paragraph 2 of Part IV of this Offer Information Statement
“Minimum Subscription Scenario”	:	Has the meaning ascribed to it in paragraph 2 of Part IV of this Offer Information Statement
“NAV”	:	Net asset value
“Net Proceeds”	:	Has the meaning ascribed to it in paragraph 2 of Part IV of this Offer Information Statement
“New Shares”	:	Up to 62,500,000 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

DEFINITIONS

- “Offer Information Statement”** : This offer information statement together with (where the context requires) the PAL, the WEWAF, the WAF and all other accompanying documents, including any supplementary or replacement document issued by the Company and lodged with the SGX-ST, acting as agent on behalf of the Authority, in connection with the Rights Issue
- “PAL”** : The provisional allotment letter issued to an Entitled Scripholder setting out the provisional allotment of Warrants of such Entitled Scripholder under the Rights Issue
- “Participating Banks”** : The banks that will be participating in the Rights Issue by making available their ATMs to Entitled Depositors and persons purchasing provisional allotment of Warrants through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, for acceptances of the Warrants and applications for excess Warrants, as the case may be, to be made under the Rights Issue
- “Performance Share Plan”** : The Starburst Performance Share Plan approved by Shareholders and implemented on 28 May 2014
- “Purchasers”** : Purchasers purchasing the provisional allotment of Warrants traded on the SGX-ST under the book-entry (scripless) settlement system
- “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 the Securities Accounts of Shareholders must be credited with Shares in order to participate in such dividends, rights, allotments or other distributions
- “Register of Members”** : Register of members of the Company
- “Register of Substantial Shareholders”** : Register of Substantial Shareholders of the Company
- “Register of Warrantholders”** : Register of Warrantholders of the Company

DEFINITIONS

“Rights Issue”	:	The renounceable non-underwritten rights issue of up to 62,500,000 Warrants, at the Issue Price for each Warrant, with each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price for each New Share, on the basis of one (1) Warrant for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
“Rights Issue Resolution”	:	The ordinary resolution passed by Shareholders on 22 April 2016 approving the issue of Warrants pursuant to the Rights Issue
“Scripholders”	:	Shareholders whose Shares are registered in their own names and whose share certificates are not deposited with CDP
“Securities Account”	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
“SGXNET”	:	The SGXNET Corporate Announcement System
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Option Scheme”	:	The Starburst Employee Share Option Scheme approved by Shareholders and implemented on 28 May 2014
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	Registered holders of Shares in the Register of Members, 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 those Shares
“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“Sponsor”	:	The Catalyst sponsor of the Company, DBS Bank Ltd.
“Take-Over Code”	:	The Singapore Code on Take-Overs and Mergers, as amended or modified from time to time
“Undertaking Shareholders”	:	Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo

DEFINITIONS

- “WAF”** : Application and acceptance form for Warrants to be issued to purchasers of the provisional allotment of Warrants traded on Catalist through the book-entry (scripless) settlement system
- “Warrant Agency Agreement”** : The warrant agency agreement dated 19 May 2016 entered into between the Company and the Warrant Agent in relation to the Rights Issue, appointing, amongst others, the Warrant Agent, as may be modified from time to time by the parties thereto
- “Warrant Agent”** : Boardroom Corporate & Advisory Services Pte. Ltd. or such other person as may be appointed as such from time to time pursuant to the Warrant Agency Agreement
- “Warrantholders”** : Registered holders of Warrants, except that where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Account are credited with those Warrants
- “Warrants”** : Up to 62,500,000 warrants in registered form to be allotted and issued by the Company pursuant to the Rights Issue and (where the context admits) such additional warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the Warrants as set out in the Deed Poll (any such additional Warrants to rank equally and without preference with the Warrants to be issued and for all purposes to form part of the same series of Warrants constituted by the Deed Poll), each Warrant entitling the holder thereof to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions of the Warrants as set out in the Deed Poll
- “WEWAF”** : Application and acceptance form for Warrants and excess Warrants to be issued to an Entitled Depositor in respect of the provisional allotment of Warrants of such Entitled Depositor under the Rights Issue

Currencies, Units and Others

- “%”** : Per centum or percentage
- “S\$” and “cents”** : Singapore dollars and cents, respectively
- “US\$”** : United States dollars, the lawful currency of the United States of America

DEFINITIONS

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA.

The terms “**subsidiary**” and “**Substantial Shareholder**” shall have the meanings ascribed to them in Section 5 and Section 81 of the Companies Act respectively.

The term “**Controlling Shareholder**” shall have the meaning ascribed to it in the Catalist Rules.

The term “**acting in concert**” shall have the meaning ascribed to it in the Take-Over Code.

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.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or the Take-Over Code or any modification thereof and not otherwise defined in this Offer Information Statement shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or the Take-Over Code or such modification thereof, as the case may be, unless otherwise provided.

Any reference to a date or time of day in this Offer Information Statement shall be a reference to Singapore date and time unless otherwise stated. Any reference to a date or time of day in this Offer Information Statement in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for acceptance and payment, renunciation and payment, and excess application and payment) 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 discrepancy in the figures included in this Offer Information Statement between the amounts listed and the total 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.

Any reference to an “**announcement**” of or by the Company in this Offer Information Statement shall include announcements by the Company posted on the SGX-ST’s website at <http://www.sgx.com>.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

The following is a summary of the principal terms and conditions of the Rights Issue and the Warrants which is derived from and should be read in conjunction with the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Principal Terms of the Rights Issue

- Number of Warrants** : Based on the issued share capital of the Company of 250,000,000 Shares as at the Latest Practicable Date, up to 62,500,000 Warrants will be issued.
- Basis of provisional allotment** : One (1) Warrant for every four (4) existing Shares standing to the credit of the Securities Accounts of Entitled Depositors or held by Entitled Scripholders, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.
- Issue price** : The issue price of each Warrant, being S\$0.01.
- Listing of the Warrants and New Shares** : The LQN has been obtained from the SGX-ST on 12 April 2016 for the listing of and quotation for the Warrants and the New Shares on Catalist, subject to certain conditions.

The LQN is not to be taken as an indication of the merits of the Rights Issue, the Warrants, the New Shares, the Company, its subsidiaries and their securities.

Shareholders should note that the Warrants may not be listed and quoted on the SGX-ST in the event that there is an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. As a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants on the SGX-ST due to an inadequate spread of holdings to provide for an orderly market in the trading of the Warrants, Warrant holders will not be able to trade their Warrants on Catalist but the Company shall, nevertheless, proceed with and complete the Rights Issue.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Trading of the Warrants and New Shares** : Subject to, amongst others, there being a sufficient spread of holdings of the Warrants, upon the listing of and quotation for the Warrants and New Shares on Catalist, the Warrants and New Shares will be traded under the book-entry (scripless) settlement system. For the purposes of trading on Catalist, each board lot of Warrants or New Shares (as the case may be) will comprise 100 Warrants or New Shares (as the case may be). Odd lots of less than 100 Warrants or New Shares (as the case may be) may be traded on the unit share market of the SGX-ST.
- Form and subscription rights** : The Warrants will be constituted by the Deed Poll and issued in registered form. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant will entitle the Warrantholder to subscribe for one (1) New Share at the Exercise Price at any time during the Exercise Period. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.
- Exercise Price** : The sum payable in respect of each New Share to which the Warrantholder will be entitled to subscribe for upon the exercise of a Warrant, which shall be S\$0.25, subject to certain adjustments in accordance with the terms and conditions of the Warrants set out in the Deed Poll.
- Exercise Period** : The period during which the Warrants may be exercised, being the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiry Date, being the date immediately preceding the fifth (5th) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members is closed or is not a Market Day, in which event, the Expiry Date shall be the immediately preceding Market Day on which the Register of Members remains open, but excluding such period(s) during which the Register of Warrantholders may be closed, subject to the terms and conditions of the Warrants as set out in the Deed Poll. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

Notice of expiry of the Warrants shall be given to all Warrantholders at least one (1) month before the Expiry Date. The appropriate announcement of the Expiry Date shall also be made on SGXNET.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Payment of Exercise Price** : Warrantheolders who exercise their Warrants must pay the Exercise Price by way of a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore in favour of the Company.
- Excess Warrants** : Entitled Shareholders will be at liberty to accept, decline or transfer their provisional allotment of Warrants and are eligible to apply for excess Warrants. Provisional allotment which are not taken up for any reason shall be used to satisfy applications for excess Warrants or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. Excess Warrants will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders (including the Undertaking Shareholders) will rank last in priority.
- Adjustments** : The Exercise Price and/or the number of Warrants held by each Warrantheolder shall from time to time be adjusted in accordance with the terms and conditions of the Warrants as set out in the Deed Poll in all or any of the following cases:
- (i) any consolidation or subdivision of Shares (including a subdivision by way of a bonus issue by the Company of Shares without capitalisation of profits or reserves); or
 - (ii) an issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves (whether of a capital or income nature and other than an issue of Shares to its members who had an option to take cash or other dividend in lieu of the relevant Shares); or
 - (iii) a Capital Distribution (as defined below) made by the Company to its members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
 - (iv) an offer or invitation made by the Company to its members whereunder they may acquire or subscribe for Shares by way of rights; or

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- (v) an issue (otherwise than pursuant to a rights issue available to all members, requiring an adjustment under (iv) above and other than an issue of Shares to members who had an option to take cash or other dividend in lieu of the relevant Shares) by the Company of Shares, if the Total Effective Consideration (as defined below) for each Share is less than 90% of the Current Market Price (as defined below) for each Share.

For the purposes of this term, “**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 or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (but excluding any issue of Shares made where the members of the Company had an option to take cash or other dividend in lieu of the relevant Shares), 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; “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and/or the Auditors 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 “**Current Market Price**” in relation to each Share for any relevant Market Day shall be the average of the last dealt prices (rounded down to the nearest S\$0.01 per Share) of Shares quoted on Catalist for the five (5) consecutive Market Days (on each of which trading of the Shares on Catalist has been transacted) immediately preceding that Market Day.

Any additional Warrants issued pursuant to such adjustments shall rank equally and without preference with the Warrants and will for all intents and purposes form part of the same series.

Any adjustments made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll shall (unless otherwise provided under the Catalist Rules) be announced by the Company on SGXNET.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Number of New Shares** : Based on the issued share capital of the Company of 250,000,000 Shares as at the Latest Practicable Date, up to 62,500,000 New Shares will be issued.
- Status of New Shares** : The New Shares will, upon allotment and issuance, rank equally and without preference in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.
- Modifications of terms of Warrants** : The Company may, without the consent of the Warrantheolders but in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, effect any modification(s) to the terms and conditions of the Warrants which, in the opinion of the Company:
- (i) is not materially prejudicial to the interests of the Warrantheolders or is of a formal, technical or minor nature; or
 - (ii) is to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of the SGX-ST; or
 - (iii) 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 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 SGX-ST.

Any such modification shall be binding on the Warrantheolders and all persons having an interest in the Warrants and shall be notified to them, as soon as practicable, in accordance with the terms and conditions of the Warrants as set out in the Deed Poll.

Without prejudice to any provision in the Deed Poll, any material alteration to the terms and conditions of the Warrants after the Rights Issue to the advantage of Warrantheolders and prejudicial to Shareholders must be approved by Shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Transfer and transmission** : The Warrants shall be transferable in lots of 100 Warrants or more. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants as set out in the Deed Poll including, amongst others, the following:
- (i) lodgement during normal business hours on any Market Day at the specified office of the Warrant Agent of 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 it;
 - (ii) the executors or administrators (or trustees) of the estate of a deceased registered Warranholder (not being one of several joint holders) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only person(s) recognised by the Company as having any title to the Warrants registered in the name of the deceased Warranholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and payment of the relevant fees and expenses be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warranholder could have made;
 - (iii) where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry; and
 - (iv) a Transferor or Depositor, as the case may be, shall be deemed to remain a Warranholder until the name of the transferee is entered in the Register of Warranholders by the Warrant Agent or the Depository Register by CDP, as the case may be.

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Winding-up** : If a resolution is passed for a members' voluntary winding-up of the Company, then:
- (i) 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 special resolution, shall be a party, the terms of such scheme of arrangement shall be binding on all the Warranholders and all persons having an interest in the Warrants; and
 - (ii) 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, no later than two (2) Business Days prior to the proposed general meeting, by irrevocable surrender of his warrant certificate(s) to the Company with the exercise notice(s) duly completed, together with all relevant payments payable, to elect to be treated as if he had exercised the Warrants to the extent of the number of Warrants exercised and had on such date been the holder of the New Shares. The New Shares will be allotted to such Warranholder as soon as possible and in any event no later than the day immediately prior to the date of the proposed general meeting.

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.

- Further issues** : Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to its members 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 takeover offer to acquire Shares.

- Underwriting** : The Rights Issue is non-underwritten.

- Warrant Agent** : Boardroom Corporate & Advisory Services Pte. Ltd..

SUMMARY OF RIGHTS ISSUE AND WARRANTS

- Governing law** : Laws of the Republic of Singapore.
- Risk factors** : Investing in the provisional allotment of Warrants, the Warrants and the New Shares involves risks. Please refer to the “**Risk Factors**” section of this Offer Information Statement for details on such risks.

EXPECTED TIMETABLE OF KEY EVENTS

The important dates and times for the Rights Issue are as follows:

Shares trade ex-rights	:	18 May 2016 from 9.00 a.m.
Books Closure Date	:	20 May 2016 at 5.00 p.m.
Despatch of Offer Information Statement (together with the WEWAF or PAL, as the case may be) to the Entitled Shareholders	:	25 May 2016
Commencement of trading of “nil-paid” rights	:	25 May 2016 from 9.00 a.m.
Last date and time for splitting and trading of “nil-paid” rights	:	2 June 2016 at 5.00 p.m.
Last date and time for acceptance and payment of Warrants	:	8 June 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance and payment of Warrants by renounees	:	8 June 2016 at 5.00 p.m.
Last date and time for application and payment of excess Warrants	:	8 June 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for crediting of Warrants	:	15 June 2016
Expected date for issuance of Warrants	:	16 June 2016
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	16 June 2016
Expected date for commencement of trading of Warrants	:	17 June 2016

The above timetable is indicative only and is subject to change. As at the Latest Practicable Date, the Company does not expect the timetable to be modified. However, the Company may with the approval of the SGX-ST, the Sponsor and/or CDP, modify the timetable subject to any limitation under any applicable law. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement together with the PAL or the WEWAF, as the case may be, and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive this Offer Information Statement and the WEWAF may obtain them from CDP for the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Warrants on the basis of their shareholdings as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders are at liberty to accept, decline, renounce or in the case of Entitled Depositors only, trade on Catalist during the rights trading period prescribed by the SGX-ST, their provisional allotment of the Warrants and are eligible to apply for additional Warrants in excess of their provisional allotment under the Rights Issue.

Entitled Depositors who wish to accept their provisional allotment of Warrants and/or (if applicable) apply for excess Warrants may do so through CDP and/or by way of an Electronic Application through an ATM of a Participating Bank.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Warrants provisionally allotted to them and/or (if applicable) applications for excess Warrants must be done through these intermediaries. Any acceptance and/or (if applicable) application of the Warrants by such investors directly to CDP, the Share Registrar, the Company or through the ATMs of the Participating Banks will be rejected.

(a) Entitled Depositors

Entitled Depositors should note that all correspondences and notices will be sent to their last registered Singapore mailing addresses with CDP.

(b) Entitled Scripholders

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotment of the Warrants. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such other date as CDP may determine.

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered address with the Share Registrar.

All dealings in and transactions of the provisional allotment of Warrants on Catalist will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on Catalist.

The procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciations and/or sales of the provisional allotment of Warrants or the application for excess Warrants including the different modes of acceptance or application and payment are contained in **Appendices II to IV** to this Offer Information Statement and in the PAL and the WEWAF.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

2. Foreign Shareholders

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be registered or lodged 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 securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislations applicable in countries other than in Singapore, the Rights Issue is only made in Singapore and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdictions outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of the Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by Foreign Shareholders will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotment of the Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of Warrants renounced to him.

The Company reserves the right to reject any acceptances of Warrants and/or applications for excess Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction. The Company further reserves the right to treat as invalid any PAL, WEWAF or WAF or decline to register such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the warrant certificate(s) or which requires the Company to despatch the warrant certificates to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation or warranty.

If it is practicable to do so, arrangements may, at the sole discretion of the Company, be made for the provisional allotment of Warrants which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold "nil-paid" on Catalist as soon as practicable after dealings in the provisional allotment of Warrants commence. Such sales will, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore sent by ordinary post to their mailing address as recorded with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions at their own risk, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in connection therewith.

Where such provisional allotment of Warrants are sold “nil-paid” on Catalist, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in respect of such sales or the proceeds thereof, the provisional allotment of Warrants or the Warrants represented by such provisional allotment.

If such provisional allotment of Warrants cannot be or are not sold on Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotment of Warrants, the Warrants represented by such provisional allotment will be allotted and issued to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD HAVE PROVIDED CDP (AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588) OR THE SHARE REGISTRAR (AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623), AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.

Notwithstanding the above, Entitled Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe all legal requirements applicable thereto at their own expense and without liability to the Company. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Warrants unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirement in such territory.

The Warrants which are not otherwise taken up or allotted for any reason shall be used to satisfy excess Warrants applications as the Directors may, in their absolute discretion, deem fit in the interests of the Company. All fractional entitlements to the Warrants will be disregarded in arriving at Entitled Shareholders’ entitlements and will, together with provisional allotment which are not taken up or allotted for any reasons, be aggregated and used to satisfy excess Warrants applications (if any) or otherwise disposed or dealt with in any manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of excess Warrants, preference will be given to Shareholders for rounding of odd lots, and 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 representation (direct or through a nominee) on the Board will

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

rank last in priority for the rounding of odd lots and allotment of excess Warrants. The Company will not make any allotment and issue of Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Depositors should note that all correspondences will be sent to their last registered Singapore mailing addresses with CDP. Depositors should note that any request to CDP to update its records or to effect any change in address should have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138588, at least three (3) Market Days before the Books Closure Date. Shareholders whose Shares are registered in their own names (not being Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue should have provided such an address in Singapore by notifying the Company c/o Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least three (3) Market Days before the Books Closure Date.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

No action has been taken or will be taken to permit a public offering of the provisional allotment of Warrants, the Warrants or the New Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating to the Company, the provisional allotment of Warrants, the Warrants or the New Shares in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the SGX-ST acting as agent on behalf of the Authority. Accordingly, the provisional allotment of Warrants, the Warrants or the New Shares may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents and any offering materials or advertisements in connection with the provisional allotment of Warrants, the Warrants or the New Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Warrants, applying for excess Warrants or making any offer, sale, resale, pledge or other transfer of the provisional allotment of Warrants or the Warrants.

This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

TRADING

1. Listing and Quotation of the Warrants and the New Shares

The LQN has been obtained from the SGX-ST on 12 April 2016 for the listing of and quotation for the Warrants and the New Shares on Catalist, subject to certain conditions.

The LQN is not to be taken as an indication of the merits of the Rights Issue, the Warrants, the New Shares, the Company, its subsidiaries and their securities.

Upon listing and quotation on Catalist, the Warrants and the New Shares will be traded under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Warrants will comprise 100 Warrants. All dealings in, and transactions (including transfers) of the Warrants and the New Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with CDP" and the "Terms and Conditions for CDP 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.

IT SHOULD BE NOTED THAT THE WARRANTS MAY NOT BE LISTED AND QUOTED ON CATALIST IN THE EVENT OF AN INSUFFICIENT SPREAD OF HOLDINGS OF THE WARRANTS TO PROVIDE FOR AN ORDERLY MARKET IN THE TRADING OF THE WARRANTS. IN SUCH AN EVENT, HOLDERS OF THE WARRANTS WILL NOT BE ABLE TO TRADE THEIR WARRANTS ON CATALIST.

2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Warrants provisionally allotted to them and/or (if applicable) apply for excess Warrants, and 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 and, if applicable, the excess Warrants that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Warrants and/or (if applicable) apply for the excess Warrants and have their Warrants credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("**NRIC**")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers or registration numbers or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers or registration numbers or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical certificates in their own names for the Warrants allotted to them and if applicable, the excess Warrants allotted to them. Such physical certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be, on the face of it, evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

TRADING

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

3. Trading of Odd Lots

Entitled Depositors who wish to trade all or part of their provisional allotment of Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotment of Warrants will be tradeable in board lots, each board lot of Warrants comprising 100 Warrants, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so on the unit share market of the SGX-ST during the provisional allotment trading period. Such Entitled Depositors may start trading in their provisional allotment of Warrants as soon as dealings therein commence on the SGX-ST.

Entitled Shareholders should note that the Rights Issue may result in them holding oddlots of Warrants (that is, lots other than board lots of 100 Warrants). The exercise of such Warrants would also result in an Entitled Shareholder holding odd lots of Shares.

Shareholders should note that most counters on the SGX-ST currently trade in board lot sizes of 100 shares and/or warrants. Following the Rights Issue, Shareholders who hold odd lots of the Warrants and/or the New Shares (i.e. lots other than board lots of 100 Warrants or Shares) and who wish to trade in odd lots on Catalist should note that they are able to do so on the unit share market of the SGX-ST, which allows trading of odd lots. The market for trading of such odd lots of Warrants may be illiquid.

4. Trading of Shares of Companies listed on Catalist

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. Entitled Shareholders should be aware of the risks of subscribing for the securities of such companies and make the decision to subscribe for the Warrants only after careful consideration and, if appropriate, consultation with an independent financial adviser.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Statements contained in this Offer Information Statement, statements made in public announcements and/or press releases, and oral statements that may be made by the Company or its officers, Directors 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 Group’s expected financial position, operating results, business strategy, plans and future prospects of the Group’s industry are forward-looking statements. These forward-looking statements, including, but not limited to, statements as to the Group’s revenue and profitability, prospects, future plans 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 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.

Given the risks, uncertainties and other factors that may cause 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. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, the Company disclaims 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. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, but before the Closing Date 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 via SGXNET and, if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority.

The Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

TAKE-OVER LIMITS

The Take-Over Code regulates amongst others, the acquisition of ordinary shares of corporations with a primary listing on Catalist, including the Company. Except with the consent of the SIC, where:

- (i) any person acquires 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) carry 30% or more of the voting rights of the Company; or
- (ii) 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 in a company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one percent (1%) of the voting rights of the Company,

such person must extend a mandatory take-over offer immediately to the shareholders of the Company for the remaining shares in the Company in accordance with the provisions of the Take-Over Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into securities which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Take-Over Code but the exercise of any conversion rights will be considered an acquisition of voting rights for the purposes of the Take-Over Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-Over Code as a result of the subscription of all or any of their respective entitlements of Warrants under the Rights Issue and the acquisition of New Shares upon the exercise of all or any such Warrants obtained pursuant to the Rights Issue should consult the SIC and/or their professional advisers immediately.

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Prospective subscribers and Shareholders 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 and/or exercise the Warrants. 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, amongst others, 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, results of operations, financial condition, net sales, revenues, profitability, liquidity, capital resources and/or prospects of the Group could be materially or adversely affected. In that event, the trading price of the Shares, the Warrants and/or the New Shares could decline, and investors may lose all or part of their investment in the Shares, the Warrants and/or the New Shares.

RISKS RELATING TO OUR BUSINESS OR THE INDUSTRY IN WHICH WE OPERATE

Substantially all of our revenues are derived from government contracts and the loss of government contracts or a delay or decline in funding of existing or future government contracts could adversely affect our sales and cash flows and our ability to fund our growth

Historically, substantially all of our revenues were derived from contracts entered into indirectly with governmental agencies in Southeast Asia and the Middle East. As a result of the concentration of our business with governmental agencies, our revenues, income and cash flows would be adversely affected if a significant number of our government contracts, sub-contracts or prospects are delayed or cancelled for budgetary or other reasons.

The factors that could cause our government contracts, sub-contracts or prospects to be delayed or cancelled include:

- budget constraints that affect government spending generally, or specific departments or agencies, and changes in fiscal policies or a reduction of available funding for defense-related programs;
- changes in laws and regulations or the adoption of new laws and regulations pertaining to government procurement;
- curtailment of a government's use of outsourced service providers and a government's insourcing of certain services;
- reputational factors, such as the suspension or prohibition from contracting with the government or any significant agency with which we conduct business due to the impairment of our reputation or relationships with any significant government agency with which we conduct business;
- delays in the payment of our invoices by government payment offices;

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- contravention of legislation and/or regulations which may apply to government contracts, such as the Official Secrets Act, Chapter 213 of Singapore; and
- changes in the volatility and prices of oil.

In the event that a significant number of our government contracts, sub-contracts or prospects are delayed or cancelled, our business, prospects, financial condition or results of operations may be materially and adversely affected.

Our business is largely made up of non-recurring contracts and our financial results are dependent on our ability to secure new contracts

Our revenues are mainly derived from contracts which are project-based and such projects are non-recurring. For FY2015 and 1Q2016, approximately 70.85% and approximately 76.02% of our total revenue respectively was derived from project-based contracts. We operate in a competitive market where it is difficult to predict when, or if at all, we will be awarded contracts as it often involves complex, lengthy negotiations and bidding processes, the results of which are generally based on a combination of factors including pricing, technical requirements, delivery lead time and reputation in the market. There can be no assurance that we will be able to secure new contracts (or new contracts of a similar value or margins to existing ones) on a regular basis. If we are unable to secure new contracts or if there is any lapse of time between our projects due to the fact that we are unable to secure new contracts on a regular basis, our results of operations, profitability and financial condition may be adversely affected.

We are dependent on our ability to (a) secure requisite performance bonds to secure projects, and (b) to obtain adequate financing to fund our operations

All our projects require performance bonds to be furnished by a bank or an acceptable financial institution to guarantee our contractual performance under the project. Generally, the performance bond for each of our projects covers approximately 5.0% to 10.0% of the contract value of the project. Our ability to secure such performance bonds, therefore, is crucial as it would determine our ability to secure projects.

Furthermore, as our business is capital intensive and the contract sums for our projects are payable by our customers to us progressively, based on the stage of completion of the work carried out for the relevant project, we may require substantial funds either from internal resources or borrowings to fund the working capital of our projects to be utilised to, among others, purchase large enough amounts of steel materials from our suppliers for our steel support structures or engage other sub-contractors for certain works to be completed in order to meet the requirements and specifications of our projects. There is no assurance that we will be able to obtain adequate funding when required, or that the terms associated with that funding will be acceptable to us.

Our ability to secure requisite performance bonds to secure projects and to secure funding for projects or other forms of financing for operations may depend on a number of factors, including our track record, financial standing, commodity prices, interest rates, economic conditions, debt market conditions, share market conditions and country risk issues. In the event that we are unable to (a) secure the requisite performance bonds, or (b) to obtain the requisite financing or refinancing. This could result in us not obtaining the projects or causing revisions or delays in planned capital expenditure, increased financing costs and, thus, may adversely affect our business, reputation, financial condition and results of operations.

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We are dependent on our continued ability to retain our key management personnel for our operations and profitability

Our continued success is dependent on our ability to retain our key management personnel including our Executive Directors, Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo. Mr. Edward Lim Chin Wah is responsible for overseeing the technical aspects of our business operations and Mr. Yap Tin Foo is responsible for marketing and maintaining our relationships with existing and potential customers as well as formulating and implementing our growth, corporate development and overall business strategies. The loss of services of any of our Executive Directors without a suitable replacement or the inability to attract and retain qualified personnel will adversely affect our business operations and hence our profits and prospects.

We face the risk of shortage of qualified technical personnel and increase in labour costs

We may not be able to identify, attract or retain qualified technical personnel, including engineers or management personnel to supervise our projects that are necessary for maintaining and growing our existing businesses, which could adversely affect our financial condition and results of operations. In particular, we are dependent on the supply of foreign qualified technical personnel, which is subject to demand and supply conditions in the labour market and the labour regulations of local and foreign governments. As at 31 December 2015, approximately 74.75% of our employees were foreign workers on S Pass or work permits or employment pass. Any changes in the labour policy in Singapore or that of the foreign workers' countries of origin may affect the supply of qualified technical personnel and cause disruptions to our operations. For example, it was announced in February 2013 that the Ministry of Manpower (the "MOM") will tighten the eligibility requirements for S Pass holders in all sectors and will increase the foreign worker levies for S Pass holders and work permit holders.

In the event that there is a shortage of foreign workers to meet our operational requirements or the eligibility requirements issued by the MOM change, we may not be able to fulfil our customers' demands in a timely manner. If we fail to retain our qualified technical personnel or if we are unable to recruit the required number of adequately skilled and experienced labour, whether locally or from overseas, in a timely manner so as to meet our increased business activities, our revenue and profitability will be adversely affected.

Furthermore, as we are required to pay foreign worker levies to the Singapore government for the employment of foreign workers, any further increase in the foreign workers' levy will result in an increase in our operating costs. Accordingly, our business, financial performance, cash flow and financial position will be adversely affected.

We may be affected by competition from competitors (including foreign companies) in Southeast Asia and the Middle East

Generally, our competitors in the industry include Cubic Range Design Solutions, Meggitt Training Systems Inc. and Microcircuit Systems Pte Ltd. In particular, these companies may

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compete with us for both contract tenders as well as sub-contracting work within our target markets in respect of design and maintenance services for the firearms-training facilities. While these companies supply integrated live-fire and weapons simulation training systems (e.g. targetry and simulation equipment) and may provide design and maintenance services for the firearms-training facilities, they do not, to our knowledge, offer the fabrication and installation services for the firearms-training facilities. As a substantial number of our projects are secured through open tenders, an increase in the number of competitors, particularly local and foreign companies entering the relevant markets, would increase competition for our business. Furthermore, in markets other than Southeast Asia and the Middle East, our competitors may be larger, better financed and more reputable companies who may be able to compete more effectively and efficiently than us. In the event that our competitors are more competitive or respond to changes in market conditions more swiftly or effectively than us, this may result in us losing out on tender bids or require us to lower our profit margins to maintain our competitiveness. Our ability to compete may also be adversely affected by limits to our capital resources and our ability to invest in maintaining and expanding our market share. Failure to keep abreast of technological advancements and design improvements, which results in failure to provide services as cost-effective and efficient as our competitors, may also render us less competitive. Any failure by us to remain competitive will adversely affect the demand for our business, business operations and financial conditions.

We may experience losses or reduced profits under contracts if costs increase above our estimates

We conduct our business under various types of contractual arrangements where costs are estimated in advance. As our business is mainly project-based, it is important that we manage our projects efficiently. As part of our preparation process for the submission of quotations and tenders to our customers, we carry out budgeting estimates based on the scope of work, labour and material costs, third party costs and other requirements. The accuracy of the budgeting estimates is subject to our experience and technical expertise in understanding the complexity and challenges of each quotation and tender. If we fail to accurately estimate the resources and time necessary for these contracts or fail to complete these contracts within the time frame and costs that have been agreed upon, there may be a material impact on our financial results as well as our reputation. Risks under our contracts which may result in cost overruns, project delays or other problems include:

- difficulties relating to the performance of our sub-contractors, suppliers, equipment providers or other third parties;
- unanticipated technical problems, including issues with regard to the design phases of contracts;
- unforeseen increases in or failure to properly estimate the cost of materials, components, equipment, labour or the inability to obtain them in a timely manner;
- incorrect assumptions related to productivity and estimates of future economic conditions; and
- project modifications creating unanticipated costs or delays.

These risks tend to be exacerbated in the case of longer-term contracts since there is an increased risk that the circumstances under which we based our original bid may change, resulting in an increase in costs. In many of these contracts, we may not be able to obtain

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compensation for additional work performed or expenses incurred, and if a project suffers any delays to its schedule, we may be contractually liable to pay liquidated damages. If we are unable to manage such cost overruns, our profitability and financial performance will be adversely affected.

Fluctuations in the price of our raw materials may adversely affect our profit margins

Our primary raw materials are steel and anti-ricochet materials which are manufactured by third party manufacturers under our “Searls” trademark and based on our specifications. We may also purchase other raw materials that we require for our projects, such as rubber tiles, bullet traps and ballistic-absorbing concrete from other third party suppliers. We do not have any long-term fixed price agreements with any of our suppliers for our raw materials, equipment and other products required in connection with our supply of products or services. Generally, we obtain our supplies of materials on a project-by-project basis according to the requirements of each project. As such, to the extent that we have entered into contracts with our customers and we have not obtained confirmed quotations from our suppliers for the amount of raw materials required for that project, fluctuations in the price of raw materials could affect us. If we are not able to pass on any increase in the price of raw materials to our customers, our profitability and our financial performance will be affected.

We are exposed to disruptions to the supply of raw materials

We source for all of our raw materials from third party suppliers and we do not maintain a large inventory of raw materials. As such, we are dependent on our suppliers for the timely delivery of the raw materials that we require and there is no assurance that our suppliers will be able to consistently deliver in a timely fashion. In the event that our suppliers default on their contractual obligations or in the event of a disruption to the supply of our raw materials, we may be unable to source for the raw materials that we require from alternative suppliers on a timely and competitive basis or at all, and our contractual obligations to our customers will in turn be affected. In such an event, our business and operations may be adversely affected.

While we try to minimise the disruptions to our supply of raw materials by procuring raw materials from our regular suppliers, we cannot guarantee that we will always be able to procure a supplier that is able to supply raw materials of a quality, quantity, price and/or delivery time acceptable to us, taking into account the relevant project schedule.

In the event that there is a disruption to our supply of raw materials, our ability to complete a project according to previously agreed timelines may be affected, which may have an adverse effect on our business and financial performance.

We are exposed to foreign currency fluctuations

Depending on the location of the project, our revenues may be denominated in S\$, US\$, other Southeast Asian currencies or other Middle Eastern currencies. Therefore, we may be exposed to significant fluctuations in exchange rates. To the extent that our revenue and purchases are not entirely matched in the same currency and there are significant fluctuations in currency exchange rates between (a) the time of our purchases and payment in foreign currencies and the time of our receipts in S\$, or (b) the time we enter into contracts with our customers (which may be denominated in US\$, other Southeast Asian currencies or other Middle Eastern currencies) and the time of our receipts in the relevant foreign currency, we are exposed to any adverse fluctuations of the relevant foreign currency against S\$ or vice versa. For example, any appreciation in the relevant foreign currency against the S\$ would increase our cost of purchases, and any depreciation in the relevant foreign currency would decrease our proceeds

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received from the contracts. If we cannot pass such increase in our cost of purchases to our customers, our profitability will be materially affected. Additionally, if the depreciation in the relevant foreign currency causes our prices to be uncompetitive, our profitability will also be materially affected.

In addition, to the extent there are timing differences between invoicing and collection, we will be exposed to adverse fluctuations of the relevant foreign currency against the S\$ or vice versa. As a result, our financial performance may be materially and adversely affected.

We are exposed to credit risk and default in payments by our customers

Most of our projects typically involve progressive billing according to the stages of project completion, pursuant to the terms and conditions of the contracts. There is no assurance on the timeliness of our customers' payments, or whether they will be able to fulfil their payment obligations. As we extend credit terms to our customers for up to 90 days, we are subject to the credit risk should any of our customers fail to promptly settle the amounts due to us for the completed works, particularly if our customers experience cash flow difficulties or deterioration in their business performance and financial position. For instance, we recorded an allowance for doubtful receivables of approximately S\$16,000 in FY2014 in relation to payments due from one of the main contractors of our projects who was facing financial difficulties in that FY. We subsequently managed to recover approximately S\$10,000 from this main contractor in FY2015.

As at 31 December 2015, our trade receivables, excluding unbilled revenue, retention sum receivable and bill receivables amounted to approximately S\$2.9 million. As at the Latest Practicable Date, approximately 65.38% of the trade receivables outstanding as at 31 December 2015 had been collected. In the event that we are unable to collect any outstanding trade receivables or if there is any incidence of bad debts, there will be an adverse impact on our financial position and financial performance.

Such extended payment terms may impose a burden on our Group's cash flow, and will result in our Group requiring further sources of finance for our working capital requirements. If our working capital requirements increase, we may need to seek additional funding or bank loans. In such an event, we may incur additional costs for such financing.

Changes in the conditions in the global credit markets could adversely impact the cost or other terms of our existing financing

As at 31 December 2015, we had an aggregate of approximately S\$14.6 million in bank loans on both fixed and floating interest rates, with effective interest rates of floating interest rates ranging from approximately 1.68% to approximately 4.08% per annum. Changes in the conditions in the global credit markets could adversely impact the cost or other terms of our existing financing as well as our ability to obtain new credit facilities or access the capital markets on favourable terms. A significant increase in our borrowing costs could impair our ability to compete effectively in our business relative to other businesses with lower amounts of indebtedness.

We are reliant on the safety track record and reputation of our "Searls" trademark

Our proprietary line of "Searls" anti-ricochet ballistic protection materials, including anti-ricochet plastic and rubber materials, are designed by us and are manufactured by various third party manufacturers to our specifications. Our "Searls" anti-ricochet ballistic protection materials are utilised for all of our projects which require anti-ricochet ballistic protection

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materials. Based on the safety track record of the projects that we have completed, we believe that our “Searls” anti-ricochet ballistic protection materials have gained a reputation for quality and safety which sets them apart from generic, unbranded anti-ricochet ballistic protection materials.

In the event that an accident occurs at any of our firearms-training facilities as a result of defective anti-ricochet materials supplied under our “Searls” trademark, or as a result of improper installation thereof, we may be required to bear any consequential or compensatory losses, and the reputation of our “Searls” trademark and our Group may be materially and adversely affected. This may, in turn, result in an adverse impact on our business and results of operations.

Our business operations are dependent on certain major suppliers as well as the services of our sub-contractors

We rely heavily on certain major suppliers for provision of certain products or services.

We may also engage sub-contractors to provide various services such as mechanical, electrical, and plumbing services and other specialist works on an ad hoc basis. These sub-contractors are selected based on certain factors such as our past working experience with them, their competitiveness in terms of their pricing and their past performance.

If any of our major suppliers is unable to provide the products or services which we require or otherwise defaults on its supply obligations or ceases to have business dealings with us or materially reduces its supply of products or services or we are unable to secure alternative sources for such loss or reduction, or if the quality of the services rendered by our sub-contractors is unsatisfactory or does not meet our requirement, or if these sub-contractors are unable to carry out their work and cause delays in the completion of our projects, our financial condition, results of operations and prospects may be materially and adversely affected.

In addition, in the event that suppliers of our “Searls” anti-ricochet materials begin manufacturing and selling anti-ricochet materials based on our specifications to unrelated third parties without our consent or approval and/or at discounted prices, the value of our “Searls” anti-ricochet materials, and hence our business, prospects and results of operations, may be materially and adversely affected.

We are liable for delays in the completion of projects

Delays in the completion of a project could occur from time to time due to several factors such as adverse weather conditions, shortages of labour, breakdown of equipment and lack of raw materials, the occurrence of natural disasters, labour disputes, disputes with suppliers and sub-contractors and industrial accidents.

A contract between ourselves and the main contractor would typically provide for the payment of liquidated damages by us in the event the project is completed after the date of completion stipulated in the contract. As such, in the event of any delay in the completion of the project attributable to us, we could be liable to pay liquidated damages under the contract, and this will adversely affect our earnings and erode our profit margin for the project. In such an event, our financial performance and financial condition may be adversely affected.

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We may face risk of disputes with and claims by our customers and/or our suppliers/sub-contractors

Disputes and claims may arise, from time to time between us, our customers and sub-contractors/suppliers for various reasons such as delays, defective workmanship, materials used and non-compliance with specifications.

We may also be subject to disputes with and claims by our customers as a result of accidents which may occur at training facilities that we designed and/or fitted, or are providing maintenance services for. Such disputes or claims may result in our needing to incur legal or administrative costs and may harm our reputation which, consequently, may adversely affect our business and financial condition.

In particular, it is also common for our customers to request for changes in design which require additional work. However, as a result of such changes in design, we may incur additional time and costs and accordingly, we may have to submit claims to the main contractors in the form of variation orders. Due to the nature of our business, work on variation orders generally commences or is executed prior to the variation orders being approved due to, among others, time constraints. As we may be required to pay our suppliers and sub-contractors to carry out these additional works notwithstanding that we have not billed or received payment from our customers, this may adversely affect our operating cash flow. It is also industry practice for our customers to withhold up to 5.0% to 10.0% of the contract sum as retention monies to cover any defects which may become apparent during the defects liability period which ranges from 12 to 18 months from the date of completion of the project. In some cases, a customer may withhold the retention monies for longer periods until the main contractor receives completion certificates from the customer.

In addition, due to the nature of our business, it is common for contractors to bill and receive payment for completed works only when the customers have certified that the projects have reached the relevant milestones for billing purposes. As such, pending certifications by our customers for billing purposes, we may be required to pay our suppliers and sub-contractors first notwithstanding that our customers have not issued such certificates or paid us. Any delay in such certification by our customers, or if there is any dispute in relation thereto, may lead to a delay in billing and payment to us, which will also adversely affect our operating cash flows.

As a result of the foregoing, we may incur negative operating cash flows due to variation orders that are pending finalisation by customers or projects which have not yet been certified by our customers for billing purposes. In the event that there are disputes in relation to the same, or that we are required to bear part of the variation costs due to lower final value of such variation costs as certified by the project consultant, our financial performance and operating results may be adversely affected.

Our insurance policies may be inadequate to cover our assets, operations and any loss arising from business interruptions

We are exposed to liabilities that are unique to the products and services we provide. A significant portion of our business relates to the design, fabrication, installation and maintenance of anti-ricochet ballistic protection systems for firearm shooting ranges and tactical training mock-ups for law enforcement, military and security agencies as well as civil authorities in Southeast Asia and the Middle East. New technologies associated with these

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systems and products may be untested or unproven. In addition, certain activities in connection with which the firearms-training facilities or the tactical training mock-ups that we have designed, fabricated and installed are used or for which our services are provided, are inherently dangerous.

We maintain insurance policies to provide insurance coverage of our business in countries in which we operate. However, the amount of our insurance or indemnity may not be adequate to cover all claims or liabilities, and we may be forced to bear substantial costs from an accident or incident. It is also impossible for us to obtain insurance to protect against all operational risks and liabilities at reasonable cost, including acts of war and acts of terrorism. Substantial claims resulting from an incident in excess of the indemnification we receive and our insurance coverage would harm our financial condition, results of operations and cash flows. Moreover, any accident or incident for which we are liable, even if fully insured, could negatively affect our standing with our customers and the public, thereby making it more difficult for us to compete effectively, and could significantly impact the cost and availability of adequate insurance in the future.

Terrorist attacks, armed conflicts, increased hostilities, fire, flood or other natural disasters could adversely affect our performance

Terrorist attacks, armed conflicts, increased hostilities and other acts of violence or war as well as fire, flood or other natural disasters around the world may adversely affect the regional and worldwide financial markets. The occurrence of any of these events may result in a loss of business confidence, which could potentially lead to economic recession and have an adverse effect upon our business, results of operations and financial condition. In addition, any deterioration in international relations may result in increased investors' concern regarding regional stability which may, in turn, adversely affect the price of our Shares. There can be no guarantee that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect our business, results of operations and financial condition.

We are exposed to risks in respect of outbreaks of influenza A (H1N1), Severe Acute Respiratory Syndrome ("SARS"), Middle East Respiratory Syndrome ("MERS"), bird flu, virus and/or other communicable diseases

An outbreak of influenza A (H1N1), SARS, MERS, bird flu, virus and/or other communicable diseases in the region or around the world could materially and adversely affect our business. In the event that an outbreak occurs at any of our fabrication facilities or that of our customers, suppliers and sub-contractors, we or our customers, suppliers and sub-contractors may be required to temporarily suspend part of our operations and quarantine all affected employees, which could materially and adversely affect our business, results of operations and financial condition.

We may be affected by accidents during the course of our business

Due to the nature of our business, accidents or mishaps may occur during the course of our business even though we have put in place certain safety measures. Such accidents or mishaps may severely disrupt our operations and lead to a delay in the completion of a project. In the event of such delays, we could be liable to pay liquidated damages under the contract with the main contractor. In such an event, our business, results of operations and financial performance may be materially and adversely affected.

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Further, in the event there are any significant claims for damages due to accidents or mishaps suffered which are not covered by our insurance policies, our results of operations and financial performance may be materially and adversely affected.

Non-renewal or revocation of our permits, grants and/or licences would affect our business activity

Our business is subject to certain laws and regulations. We are granted various licences, permits, certificates and approvals by the relevant regulatory authorities. The duration of these licences, permits and certificates are generally fixed and are renewable upon expiry subject to our fulfilment of the standards and requirements set out by the regulatory authorities. Therefore, any non-renewal or revocation of the licences, permits or certificates for whatever reason by the relevant authorities may affect our business operations. Further, there is no assurance that more stringent requirements relating to business operations, environment protection and safety will not be imposed on us by the relevant government authorities in the future. These additional regulations may restrict our ability to operate our business and we may face actions for non-compliance if we fail to comply with any of such requirements, thereby adversely affecting our operations and financial position.

RISKS RELATING TO THE COUNTRIES IN WHICH WE OPERATE

Economic, political, legal and regulatory conditions in the countries in which we operate may materially and adversely affect our business, financial condition, results of operations, prospects and the market price of our Shares

We currently have business operations in Southeast Asia and the Middle East. Accordingly, we are subject to the risks associated with our business activities in the countries where we operate. Our business, financial condition, results of operations and prospects may be materially and adversely affected by a variety of conditions and developments in these countries, including:

- inflation, interest rates and general economic conditions;
- civil unrest, military conflict, terrorism, change in political climate and general security concerns;
- changes in duties payable and taxation rates;
- natural disasters;
- imposition of restrictions on foreign currency conversion or the transfer of funds;
- expropriation or nationalisation of private enterprise or confiscation of private property or assets; and
- changes in the volatility and prices of oil.

Should any of the aforesaid risks materialise and we are unable to adapt our business strategies or operations accordingly, our business, financial condition, results of operations and prospects may be materially and adversely affected.

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Changes in government legislation, regulations or policies affecting the industries relevant to our business or changes in tax rules in the countries we operate in may have a negative effect on our business

Any changes in government legislation, regulations or policies affecting the industries relevant to our business operations in the countries which we operate in could have a negative effect on our business. The compliance with any changes in or new government legislation, regulations or policies may also increase our costs and any significant increase in compliance costs arising from such amended or new government legislation, regulations or policies may adversely affect our results of operations. There is no assurance that any changes in government legislation, regulations and policies will not have an adverse effect on our financial performance.

Furthermore, our operations in Southeast Asia and the Middle East are subject to the tax-related laws, regulations and policies of the various jurisdictions. Changes in the tax rules or interpretations by the local tax authorities in relation to our operations (which may or may not have retrospective effect) may have a significant impact on our tax exposure. In such an event, our Group may be exposed to tax liabilities such as underpaid tax as well as penalties, which may adversely affect our results of operations and financial position.

RISKS RELATING TO THE RIGHTS ISSUE, THE WARRANTS, THE NEW SHARES AND/OR THE SHARES

Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than securities quoted on the Main Board of the SGX-ST

An application has been made for the Warrants and the New Shares to be listed for quotation on Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies. An investment in securities quoted on Catalist may carry a higher risk than an investment in securities quoted on the Main Board of the SGX-ST. Catalist was formed in December 2007 and the future success and liquidity in the market of the Shares cannot be guaranteed.

An active trading market in the “nil-paid” entitlements to the Warrants may not develop and could affect the trading price of such “nil-paid” entitlements

Although our Shares have been listed and quoted on Catalist, there can be no assurance that there will be a liquid public market for the “nil-paid” rights to the Warrants during the trading period for such “nil-paid” entitlements. If an active public market for the “nil-paid” rights to the Warrants does not develop during the trading period for such “nil-paid” entitlements, the market price and liquidity of the “nil-paid” rights to the Warrants may be adversely affected. Even if an active market develops, the trading price for the “nil-paid” rights to the Warrants, which depends on the trading price of the shares, may be volatile.

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The aggregate of the Issue Price and Exercise Price may not necessarily be indicative of the market price of the Shares after the Rights Issue is complete and investors may be unable to resell their New Shares at or above the aggregate of the Issue Price and Exercise Price. The prices at which our Shares will trade after the Rights Issue will be determined by the market and may be influenced by many factors, including:

- (a) our financial results;
- (b) our prospects, and those of the industry in which we compete;
- (c) an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- (d) the present state of our development;
- (e) the valuation of publicly-traded companies that are engaged in business activities similar to ours; and
- (f) any volatility in the securities markets of Singapore.

The market price of our Shares may fluctuate significantly in the future and you may lose all or part of your investment, and litigation may be brought against us

The market price of our Shares may fluctuate significantly and rapidly as a result of, amongst others, the following factors, some of which are beyond our control:

- (a) variation in our results of operations;
- (b) changes in securities analysts' estimates of our results of operations and recommendations;
- (c) announcements by us of significant contracts, acquisitions, strategic alliances or joint ventures or capital commitments;
- (d) additions or departures of key personnel;
- (e) fluctuations in stock market prices and volume;
- (f) involvement in litigation;
- (g) general economic and stock market conditions; and
- (h) discrepancies between our actual operating results and those expected by investors and securities analysts.

The stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices of securities. These fluctuations often have been unrelated or disproportionate to the operating performance of publicly-traded companies. In the past, following periods of volatility in the market price of a particular company's securities, an investor may lose all or part of his investment and litigation has sometimes been brought against that company. If similar litigation is instituted against us, it could result in substantial costs and divert management's attention and resources from our core businesses.

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The demand for our Shares and accompanying price fluctuations as well as trading volume may vary from that of the Warrants.

Future issuance of Shares by us and sale of Shares by our existing Shareholders may adversely affect the price of our Shares

In the event we issue or our Shareholders sell substantial amounts of our Shares in the public market following this Rights Issue, the price of our Shares may be adversely affected. Such issues or sales may also make it difficult for us to issue new Shares and raise the necessary funds in the future at a time and price we deem appropriate.

We may require additional funding in the form of equity or debt for our future growth which will cause dilution in Shareholders' equity interest

We may pursue opportunities to grow our business through joint ventures, strategic alliances, acquisitions or investment opportunities, following the Rights Issue. However, there can be no assurance that we will be able to obtain additional funding on terms that are acceptable to us or at all. If we are unable to do so, our future plans and growth may be adversely affected.

An issue of Shares or other securities to raise funds will dilute Shareholders' equity interests and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors.

Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price. In addition, any additional debt funding may restrict our freedom to operate our business as it may have conditions that:

- (a) limit our ability to pay dividends or require us to seek consent for the payment of dividends;
- (b) increase our vulnerability to general adverse economic and industry conditions;
- (c) require us to dedicate a portion of our cash flow from operations to repayments of our debt, thereby reducing the availability of our cash flow for capital expenditures, working capital and other general corporate purposes; and
- (d) limit our flexibility in planning for, or reacting to, changes in our business and our industry.

The current disruptions, volatility or uncertainty of the credit markets could limit our ability to borrow funds or cause our borrowings to be more expensive. As such, we may be forced to pay unattractive interest rates, thereby increasing our interest expense, decreasing our profitability and reducing our financial flexibility if we take on additional debt financing.

Control by our Shareholders of our share capital after the Rights Issue may limit your ability to influence the outcome of decisions requiring the approval of Shareholders

After the completion of the Rights Issue, our Controlling Shareholders, Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo, will hold in aggregate approximately 83.38% of the issued share capital of our Company in the Minimum Subscription Scenario, and approximately 80.06% of the issued share capital of our Company in the Maximum Subscription Scenario. As a result, the Controlling Shareholders will be able to significantly influence our corporate actions such as mergers or take-over attempts in a manner which may not be in line with the interests of our

RISK FACTORS

public Shareholders. They will also have veto powers in relation to any Shareholder action or approval requiring a majority vote except in situations where they are required by the Catalist Rules, the SGX-ST or undertakings given by them and their associates, to abstain from voting. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Group which may not benefit our Shareholders.

Investors may not be able to participate in future rights issues or certain other equity issues of our Shares

In the event that we issue new Shares, we will be under no obligation to offer those Shares to our existing Shareholders at the time of issue, except where we elect to conduct a rights issue. However, in electing to conduct a rights issue or certain other equity issues, we will have the discretion and may also be subject to certain regulations as to the procedures to be followed in making such rights available to Shareholders or in disposing of such rights for the benefit of such Shareholders and making the net proceeds available to them. In addition, we may choose not to offer such rights to our existing Shareholders having an address in jurisdictions outside of Singapore.

Accordingly, certain Shareholders may be unable to participate in future equity offerings by us and may experience dilution in their shareholdings as a result.

Certain transactions may dilute the ownership of holders of our Shares

As a result of adjustments from rights offerings, certain issuances of new Shares and certain other actions we may take to modify our capital structure, Shareholders may experience a dilution in their ownership of our Shares. There can be no assurance that we will not take any of the foregoing actions, and such actions in the future may adversely affect the market price of our Shares.

We also intend to grant options under the Share Option Scheme and issue awards under the Performance Share Plan. To the extent that issuance of the option shares pursuant to the exercise of the options and the award shares are issued pursuant to the grant of the awards, there will be further dilution to investors in this Rights Issue.

Implications in the event that the Warrants are not taken up or are not exercised

In the event that an Entitled Shareholder does not take up his entitlement to the Warrants under the Rights Issue while the other Warrants issued under the Rights Issue are taken up and exercised, such Entitled Shareholder's interest in the Company may be diluted or varied.

The Warrants issued pursuant to the Rights Issue may only be exercised during the Exercise Period. In the event that the Warrants are not exercised by the end of the Exercise Period, the Warrants will expire and be worthless to the Warrantholders. Consequently, in the event that an Entitled Shareholder does not exercise any Warrants taken up under the Rights Issue while the other Warrants issued under the Rights Issue are taken up and exercised, such Entitled Shareholder's interest in the Company may also be diluted or varied.

We may not be able to pay dividends in the future

The ability of our subsidiaries to pay dividends will depend on their earnings and cash flows and will be subject to laws and regulations of the relevant jurisdictions where they operate. Our ability to declare dividends to our Shareholders in the future will be contingent on our future financial performance and distributable reserves of our Company. This is in turn dependent on

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our ability to implement our future plans, and on regulatory, competitive and technical factors such as general economic conditions, demand for and selling prices of our products and services and other factors exclusive to the Engineering and Construction of Training Facilities industry. Any of these factors could have a material adverse effect on our business, financial position and results of operations, and hence there is no assurance that we will be able to pay dividends to our Shareholders after the completion of the Rights Issue.

The receipt of dividends from our subsidiaries may also be affected by the passage of new laws, adoption of new regulations and other events outside our control, and our subsidiaries may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. Source withholding tax may also apply to dividends and distributions from our subsidiaries to us.

Further, in the event that we are required to enter into any loan arrangements with any financial institutions, covenants in the loan agreements may limit when and how much dividends we can declare and pay out, or may also restrict the ability of our subsidiaries to make contributions to us and our ability to receive distributions.

If our subsidiaries stop paying dividends or reduce the amount of the dividends they pay to our Company, or dividends become subject to increased tax because of changes in ownership of our subsidiaries or changes in tax laws or treaties, it would have an adverse effect on our ability to pay dividends on our Shares.

Singapore take-over laws contain provisions, which may vary from those in other jurisdictions, which could adversely affect the market price of the Shares

The Take-Over Code contains certain provisions that may possibly delay, deter or prevent a future take-over or change in control. Under the Take-Over Code, except with the consent of the SIC, any person acquiring an interest, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, in 30% or more of the voting Shares, is required to extend a take-over offer for the remaining voting Shares in accordance with the Take-Over Code. Except with the consent of the SIC, such a take-over offer is also required to be made if a person holding between 30% and 50% (both inclusive) of the voting Shares, either on his own or together with parties acting in concert with him, acquires additional voting Shares representing more than one percent (1%) of the voting Shares in any six-month period. While the Take-Over Code seeks to ensure an equality of treatment among Shareholders, its provisions could substantially impede the ability of the Shareholders to benefit from a change of control and, as a result, may adversely affect the market price of the Shares and the ability to realise any benefits from a potential change of control.

There may be further issues of Shares

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 Warrantheolders will not have any participating rights in such further issues unless otherwise resolved by the Company in a general meeting. In such events, the Warrantheolders may suffer dilution in their investments.

Future total proceeds from the Warrants may not be realised

Warrantheolders have the option but not the obligation to exercise the Warrants. Accordingly, there is no assurance that all or any of the Warrants will be exercised within the Exercise Period or that the future total proceeds from the Warrants will be realised from the exercise of all or any of the Warrants within the Exercise Period.

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The listing of the 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, the Company will nevertheless proceed and complete the Rights Issue. Accordingly, the Warrantheolders will not be able to trade their Warrants on Catalist.

There may not be an active or liquid market for the Warrants

There is no assurance that there will be an active or liquid market for the Warrants. The Company is unable to predict the extent to which a trading market will develop, if at all, or how liquid that market may become. 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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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.
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Name of Directors	Address	Position
Mr. Edward Lim Chin Wah	c/o 6 Tuas West Street, Singapore 637442	Chairman and Executive Director
Mr. Yap Tin Foo	c/o 6 Tuas West Street, Singapore 637442	Managing Director and Executive Director
Mr. Gan Lai Chiang	c/o 6 Tuas West Street, Singapore 637442	Lead Independent Director and Chairman of Audit Committee
Mr. Gopal Perumal	c/o 6 Tuas West Street, Singapore 637442	Independent Director
Mr. Tan Teng Wee	c/o 6 Tuas West Street, Singapore 637442	Independent Director

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.
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	Name	Address
Issue Manager	DBS Bank Ltd.	12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982
Underwriter	Not applicable	Not applicable

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	Name	Address
Legal adviser	WongPartnership LLP	12 Marina Boulevard Level 28, Marina Bay Financial Centre Tower 3, Singapore 018982

Registrar 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.
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	Name	Address
Share Registrar and Warrant Agent	Boardroom Corporate & Advisory Services Pte. Ltd.	50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623
Receiving Banker	DBS Bank Ltd.	12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982

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PART III — OFFER STATISTICS AND TIMETABLE

Offer Statistics

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

Method of offer	:	Renounceable non-underwritten rights issue of Warrants
Basis of allotment	:	One (1) Warrant for every four (4) existing Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
Number of Warrants	:	62,500,000 Warrants (assuming that the Warrants are fully subscribed for)

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 refer to paragraphs 3 to 7 of this Part 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 lodgement 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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Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement.

As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may (if necessary), with the approval of the SGX-ST, the Sponsor and/or CDP 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 SGX-ST’s website at <http://www.sgx.com>.

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The procedures for, and the terms and conditions applicable to, acceptances, renunciations, splittings and/or sales of the provisional allotment of Warrants and for the application for excess Warrants, including the different modes of acceptance or application and payment, are contained in **Appendices II to IV** of this Offer Information Statement and in the PAL, the WEWAF and the WAF.

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- 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 the dates on which, amounts due are to be paid.**

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splittings and/or sales of the provisional allotment of Warrants and for the application for excess Warrants, including the different modes of acceptances or application and payment are contained in **Appendices II to IV** of this Offer Information Statement and in the PAL, the WEWAF and the WAF.

The Warrants are payable in full upon acceptance and/or application.

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for the last date and time for payment for the Warrants and, if applicable, excess Warrants.

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- 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 provisionally allotted to Entitled Shareholders on or about 24 May 2016 by crediting the provisional allotment to the Securities Accounts of Entitled Depositors or through the despatch of the relevant PALs to Entitled Scripholders.

In the case of Entitled Scripholders and their renounees with valid acceptances for Warrants and/or (if applicable) successful applications for excess Warrants and who have failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, physical certificates representing such number of Warrants will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within 10 Market Days after the Closing Date.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances for Warrants and/or (if applicable) successful applications for excess Warrants, the certificates representing such number of

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Warrants will be registered in the name of CDP and held by CDP for and on their behalf. Physical certificates representing such number of Warrants are expected to be sent to CDP within 10 Market Days after the Closing Date. It is expected that CDP will then send to such subscribers at their own risk a notification letter showing the number of Warrants credited to the relevant Securities Accounts of such subscribers.

Please refer to **Appendices II to IV** of this Offer Information Statement for further details.

- 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.**
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Please refer to **Appendices II to IV** to this Offer Information Statement and the PAL, the WEWAF and the WAF for details on the procedures for the acceptance of the provisional allotment of Warrants, application for excess Warrants, trading of the provisional allotment of Warrants on the SGX-ST and the treatment of the provisional allotment of Warrants which are not accepted.

- 7. Provide a full description of the manner in which results of the allotment of 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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Results of the Rights Issue

The Company will announce, amongst others, the results of the allotments or the allocations of Warrants as soon as practicable after the Closing Date, through a SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

Manner of Refund

Where any acceptance for Warrants and/or (if applicable) excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained with the Share Registrar; or
- (b) where acceptance and/or application had been made through Electronic Application, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any; or

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- (c) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing address as maintained with CDP or in such other manner as the applicant may have agreed with CDP for the payment of any cash distributions.

Please refer to **Appendices II to IV** of this Offer Information Statement, the PAL, the WEWAF and the WAF (as the case may be) for further details in respect of the refunding of excess amounts paid by applicants.

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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 refer to paragraphs 2 to 7 of this Part 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.
-

Based on the Existing Share Capital and assuming that the Rights Issue is fully subscribed, 62,500,000 Warrants will be issued pursuant to the Rights Issue (“**Maximum Subscription Scenario**”) and the net proceeds from the subscription of the Warrants (“**Net Proceeds**”) will amount to approximately S\$475,000 after deducting professional fees as well as related expenses of approximately S\$150,000 incurred in connection with the Rights Issue. On the basis of the foregoing, and assuming that all 62,500,000 Warrants issued are exercised, the estimated gross proceeds from the exercise of the Warrants (“**Exercise Proceeds**”) will be approximately S\$15,625,000. In view thereof, the total proceeds comprising the Net Proceeds and Exercise Proceeds will amount to approximately S\$16,100,000 in the Maximum Subscription Scenario.

Based on the Existing Share Capital and assuming that only the Undertaking Shareholders subscribe for the Warrants pursuant to the Irrevocable Undertakings, an aggregate of 50,039,750 Warrants will be issued pursuant to the Rights Issue (“**Minimum Subscription Scenario**”) and the Net Proceeds will amount to approximately S\$350,397.50 after deducting professional fees as well as related expenses of approximately S\$150,000 incurred in connection with the Rights Issue. On the basis of the foregoing, and assuming that all 50,039,750 Warrants issued are exercised, the estimated Exercise Proceeds will be approximately S\$12,509,937.50. In view thereof, the total proceeds comprising the Net Proceeds and Exercise Proceeds will amount to approximately S\$12,860,335 in the Minimum Subscription Scenario.

All of the Net Proceeds and Exercise Proceeds will go to the Company.

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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.**
-

The Company intends to use the entire Net Proceeds for the Group's general working capital purposes.

As and when the Warrants are exercised, the Company intends for the Exercise Proceeds arising therefrom to be applied to the following purposes, such as: (i) the repayment of the Group's borrowings; (ii) the pursuit of strategic business opportunities (including any business expansion and acquisition opportunities as and when they arise); and/or (iii) the Group's general working capital purposes.

Pending the deployment of the Net Proceeds and/or Exercise Proceeds for the uses identified above, such proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or used for any other purpose on a short-term basis as the Directors may in their absolute discretion deem fit.

As and when any significant amount of the Net Proceeds and/or Exercise Proceeds is deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviation therefrom in its annual report. Where the Net Proceeds and/or Exercise Proceeds have been used for working capital, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcement and annual report. Where there is a material deviation in the use of the Net Proceeds and/or Exercise Proceeds, the Company will also state the reasons for such deviation.

In the event that any part of the Company's proposed use of the Net Proceeds and/or Exercise Proceeds does not materialise or proceed as planned, the Directors will carefully evaluate the situation and may reallocate the proceeds to other purposes and/or hold such funds on short-term deposits for as long as the Directors deem it to be in the interest of the Company. Any change in the use of the Net Proceeds and/or Exercise Proceeds will be subject to the Catalist Rules and appropriate announcements will be made by the Company on SGXNET.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue. In view of the Irrevocable Undertakings, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

Where the Net Proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in the Company's announcement on use of proceeds and in the annual reports.

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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.

The estimated gross proceeds from the subscription of Warrants under the Rights Issue under the Maximum Subscription Scenario and the Minimum Subscription Scenario are S\$625,000 and S\$500,397.50 respectively.

Based on the intended use of proceeds from the Rights Issue as described in paragraph 3 of this Part, for each dollar of the gross proceeds raised from the subscription of Warrants under the Rights Issue (excluding any Exercise Proceeds), the estimated amount that will be allocated for the intended use and the estimated amount that will be used to pay for expenses incurred in connection with the Rights Issue are as follows:

- (a) in the Maximum Subscription Scenario:
- (i) approximately S\$0.76 for each dollar of gross proceeds raised will be allocated towards general working capital purposes; and
 - (ii) approximately S\$0.24 for each dollar of gross proceeds raised will be allocated to pay for professionals' fees and related expenses incurred in connection with the Rights Issue; and
- (b) in the Minimum Subscription Scenario:
- (i) approximately S\$0.70 for each dollar of gross proceeds raised will be allocated towards general working capital purposes; and
 - (ii) approximately S\$0.30 for each dollar of gross proceeds raised will be allocated to pay for professionals' fees and related expenses incurred in connection with the Rights Issue.

As described in paragraph 3 of this Part, all of the Exercise Proceeds raised may, at the discretion of the Directors, be applied towards the following purposes, such as: (i) the repayment of the Group's borrowings; (ii) the pursuit of strategic business opportunities (including any business expansion and acquisition opportunities as and when they arise); and/or (iii) the Group's general working capital purposes.

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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.

As disclosed in paragraph 3 of this Part, the Company intends to use the entire Net Proceeds for the Group's general working capital purposes and the Exercise Proceeds

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towards the following purposes, such as: (i) the repayment of the Group's borrowings; (ii) the pursuit of strategic business opportunities (including any business expansion and acquisition opportunities as and when they arise); and/or (iii) the Group's general working capital purposes.

As at the Latest Practicable Date, the Company has not identified any specific asset which the Company intends to, directly or indirectly, acquire or refinance using the Exercise Proceeds. Nevertheless, in the event an opportunity arises for the Company to acquire any specific asset which the Directors deem to be in the interest of the Company to acquire, the Company may, subject to approval of Shareholders being obtained if required by the Catalist Rules, utilise part or all of the Exercise Proceeds to finance such acquisition.

As disclosed in paragraph 3 of this Part, as and when any significant amount of the Exercise Proceeds is deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviation therefrom in its annual report. Where the Exercise Proceeds have been used for working capital, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcement and annual report. Where there is a material deviation in the use of the Exercise Proceeds, the Company will also state the reasons for such deviation.

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.

As disclosed in paragraph 3 of this Part, the Company intends to use the entire Net Proceeds for the Group's working capital purposes and the Exercise Proceeds towards the following purposes, such as: (i) the repayment of the Group's borrowings; (ii) the pursuit of strategic business opportunities (including any business expansion and acquisition opportunities as and when they arise); and/or (iii) the Group's general working capital purposes.

As at the Latest Practicable Date, the Company has not identified any specific business which the Company intends to finance or refinance using the Exercise Proceeds. Nevertheless, in the event an opportunity arises for the Company to acquire any specific business which the Directors deem to be in the interest of the Company to acquire, the Company may, subject to approval of Shareholders being obtained if required by the Catalist Rules, utilise part or all of the Exercise Proceeds to finance such acquisition.

As disclosed in paragraph 3 of this Part, as and when any significant amount of the Exercise Proceeds is deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviation therefrom in its annual report. Where the Exercise Proceeds have been used for working capital, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcement and annual report. Where there is a material deviation in the use of the Exercise Proceeds, the Company will also state the reasons for such deviation.

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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.**

As disclosed in paragraph 3 of this Part, the Company intends to use the entire Net Proceeds for the Group's working capital purposes and the Exercise Proceeds towards the following purposes, such as: (i) the repayment of the Group's borrowings; (ii) the pursuit of strategic business opportunities (including any business expansion and acquisition opportunities as and when they arise); and/or (iii) the Group's general working capital purposes.

As at the Latest Practicable Date, the Company has not identified any specific business which the Company intends to finance or refinance using the Exercise Proceeds. Nevertheless, in the event an opportunity arises for the Company to acquire any specific business which the Directors deem to be in the interest of the Company to acquire, the Company may, subject to approval of Shareholders being obtained if required by the Catalyst Rules, utilise part or all of the Exercise Proceeds to finance such acquisition.

As disclosed in paragraph 3 of this Part, as and when any significant amount of the Exercise Proceeds is deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviation therefrom in its annual report. Where the Exercise Proceeds have been used for working capital, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcement and annual report. Where there is a material deviation in the use of the Exercise Proceeds, the Company will also state the reasons for such deviation.

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8. **In the section containing the information 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.**

Not applicable. The Rights Issue is not underwritten and no placement or selling agents have been appointed in relation to the Rights Issue.

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Information on the Relevant Entity

9(a). Provide information on 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).

Registered office and principal place of business	:	6 Tuas West Street Singapore 637442
Telephone number	:	(65) 6862 2282
Facsimile number	:	(65) 6861 2282

9(b). Provide information on 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.

Business of the Group

As at the Latest Practicable Date, the Group is a Singapore-based engineering group specialising in the design and engineering of firearms-training facilities. We design, fabricate, install and maintain anti-ricochet ballistic protection systems for firearm shooting ranges and tactical training mock-ups. Our firearms-training facilities and tactical training mock-ups are utilised by law enforcement, military and security agencies as well as civil authorities in Southeast Asia and the Middle East.

The Group has offices in Singapore, Malaysia and the Middle East.

As at the Latest Practicable Date, the subsidiaries of the Group and their principal activities are as follows:

Name	Country of incorporation / principal place of business	Effective interest held by the Group (%)	Principal activities
<u>Held by the Company</u>			
Starburst Engineering Pte Ltd (which has a representative office in Abu Dhabi)	Singapore	100.0	Manufacturing of ordinary accessories, training, protection and containment system; and building construction including major upgrading works
Starburst Engineering (M) Sdn. Bhd. ⁽¹⁾	Malaysia	100.0	Dormant

Note:

(1) As at the date of this Offer Information Statement, Starburst Engineering (M) Sdn. Bhd. is a dormant company.

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9(c). Provide information on 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.

The significant developments in the business of the Group in chronological order since FY2013 are set out below. The significant developments included in this section have been extracted from the related announcements released by the Company via SGXNET and the information presented herein is correct as at the date of the relevant announcement. Shareholders are advised to refer to the related announcements for further details.

Key developments in FY2013

Opening of representative office in Abu Dhabi

In FY2013, the Company opened its representative office in Abu Dhabi.

Key developments in FY2014

Admission of ordinary shares to Catalist

On 9 July 2014, the Company announced that its ordinary shares were granted listing and quotation status on Catalist. Trading in the Shares commenced on a “Ready” basis with effect from 9.00 a.m. on 10 July 2014.

Award of S\$3.2 million maintenance service contract for firearm shooting ranges in Southeast Asia

On 8 September 2014, the Group announced that it had been awarded a S\$3.2 million contract for the maintenance of certain firearm shooting ranges in Southeast Asia. Under the contract, Starburst Engineering Pte Ltd agreed to provide services for the maintenance of the ballistic protection system of these firearm shooting ranges for a period of 3 years up to June 2017. The Group completed the supply, fabrication and installation of these firearm shooting ranges in 2012.

Key developments in FY2015

Award of S\$11.8 million contract for the supply, fabrication, delivery, installation and warranty of facade steelworks for Marina One project at Marina Way

On 3 February 2015, the Group announced that it had been awarded a S\$11.8 million contract (with option for additional works valued at S\$1.7 million) for the Marina One

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project at Marina Way in Singapore. Under the contract, Starburst Engineering Pte Ltd agreed to undertake the supply, fabrication, delivery, installation and warranty of facade steelworks. Work for this contract commenced in February 2015 and is scheduled to be completed in August 2016.

Award of S\$2.5 million contracts to supply and install a firearm training facility in the Middle East

On 9 February 2015, the Group announced that it had been awarded contracts totalling approximately S\$2.5 million for a project located in the Middle East. Under the contracts, Starburst Engineering Pte Ltd agreed to undertake ballistic protection works to a firearm training facility in the Middle East. Contract performance commenced in February 2015 and was completed in September 2015.

Award of S\$7.14 million maintenance service contract for security and detention facilities in Southeast Asia

On 12 February 2015, the Group announced that it had been awarded a contract of S\$7.14 million (including an amount of up to S\$0.31 million for discretionary works) for the maintenance of security and detention facilities in Southeast Asia. Under the contract, Starburst Engineering Pte Ltd agreed to provide maintenance services for security doors and ironmongery including modification of doors in detention facilities for a period of 5 years ending 31 May 2020.

Acquisition of 6 Tuas View Circuit, Singapore 637599

On 23 February 2015, the Group announced that Starburst Engineering Pte Ltd had entered into a conditional sale and purchase agreement with Pah Engineering Pte Ltd on 16 February 2015 in connection with the proposed acquisition of 6 Tuas View Circuit, Singapore 637599, for a purchase consideration of S\$22,388,888. The acquisition was in line with the Group's strategy to increase fabrication efficiency and capacity.

On 18 May 2015, the Group announced that the acquisition of 6 Tuas View Circuit, Singapore 637599 had been completed on 14 May 2015.

Received letters of intent totaling S\$16.1 million of contracts to design, supply and install firearm shooting ranges in the Middle East

On 10 June 2015, the Group announced that it had received letters of intent with a total contract value of approximately S\$16.1 million for firearm shooting range projects in the Middle East. Under the letters of intent, Starburst Engineering Pte Ltd would design, supply and install ballistic protection works for the firearm shooting training facilities in the Middle East. Work on these projects commenced in the third quarter of 2015 with completion expected by December 2016.

Increase of issued and paid-up share capital in a wholly-owned subsidiary

On 16 December 2015, the Company announced that Starburst Engineering Pte Ltd, a wholly owned subsidiary of the Company, had increased its issued and paid-up share capital from S\$450,000 to S\$5,000,000. The capital increase was due to the issue and allotment of an additional 4,550,000 ordinary shares at an issue price of S\$1.00 per ordinary share in the capital of Starburst Engineering Pte Ltd, for a total consideration of S\$4,550,000. The consideration was satisfied by way of capitalisation of the intercompany balances of S\$4,550,000 due and owing by Starburst Engineering Pte Ltd to the Company.

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Key developments since 1 January 2016 to the Latest Practicable Date

Award of S\$7.7 million contract for the supply and/or installation of entry training equipment for a firearm shooting ranges facility in Southeast Asia

On 9 May 2016, the Group announced that it had been awarded a contract of S\$7.7 million for the supply and/or installation of entry training equipment for a firearm shooting ranges facility in Southeast Asia. Under the contract, Starburst Engineering Pte Ltd agreed to provide the services for a period of 5 years from 1 August 2016 to 31 July 2021.

9(d). Provide information on 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 capital and the loan capital of the Company are as follows:

Issued and paid-up share capital	:	S\$40,570,000
Number of ordinary shares in issue	:	250,000,000 Shares

As at the Latest Practicable Date, the Company does not have any loan capital.

9(e). Provide information on, 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.

The interests of the Substantial Shareholders of the Company, based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, are as follows:

Substantial Shareholder	Number of Shares Direct Interest	% of issued share capital⁽¹⁾
Mr. Yap Tin Foo	100,080,000	Approximately 40.03%
Mr. Edward Lim Chin Wah	100,079,000	Approximately 40.03%

Note:

(1) Based on the Existing Share Capital of 250,000,000 Shares as at the Latest Practicable Date.

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9(f). Provide information on 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 lodgement 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.

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in 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 lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

9(g). Provide information on, 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.**
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No securities or equity interests have been issued for cash within the 12 months immediately preceding the Latest Practicable Date.

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9(h). Provide 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 lodgement 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.

Save as disclosed below, the members of the Group did not enter into any material contracts outside the ordinary course of business for the period of two (2) years immediately preceding the date of lodgement of this Offer Information Statement:

- (a) an irrevocable undertaking dated 7 March 2016 between each of the Undertaking Shareholders and the Company for the Undertaking Shareholders to subscribe for the Warrants that each of the Undertaking Shareholders are entitled to under the Rights Issue, and for the Company to agree to undertake the Rights Issue;
- (b) a deed poll dated 19 May 2016 of the Company in respect of the issue of up to 62,500,000 Warrants at the Issue Price, each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price; and
- (c) a warrant agency agreement dated 19 May 2016 entered into between the Company and Boardroom Corporate & Advisory Services Pte. Ltd. for the appointment of the Warrant Agent for the purpose of the Rights Issue.

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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 audited consolidated statements of comprehensive income of the Group for FY2013, FY2014 and FY2015, and the unaudited consolidated statements of comprehensive income of the Group for 1Q2015 and 1Q2016 are set out below:

	FY2013	FY2014	FY2015	1Q2015	1Q2016
	Audited	Audited	Audited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	21,045	39,356	15,944	2,875	6,765
Other operating income	1,211	576	338	347	67
Project and production costs	(8,412)	(17,168)	(12,064)	(2,403)	(5,152)
Employee benefits expenses	(2,058)	(3,341)	(3,271)	(647)	(885)
Depreciation expenses	(422)	(593)	(1,155)	(173)	(401)
Other operating expenses	(1,175)	(2,808)	(2,408)	(439)	(810)
Finance costs	(82)	(260)	(195)	(19)	(63)
Profit/(loss) before income tax	10,107	15,762	(2,811)	(459)	(479)
Income tax benefit/(expense)	(1,378)	(2,603)	1,151	(55)	48
Profit/(loss) for the year/period	8,729	13,159	(1,660)	(514)	(431)
Other comprehensive income (net of tax):					
<u>Items that will not be reclassified to profit or loss:</u>					
Gain on revaluation of property	6,287	—	—	—	—

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	FY2013	FY2014	FY2015	1Q2015	1Q2016
	Audited	Audited	Audited	Unaudited	Unaudited
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Deferred tax arising from the revaluation of property	(1,069)	—	—	—	—
Other comprehensive income for the year/period (net of tax)	5,218	—	—	—	—
<u>Items that may be reclassified subsequently to profit or loss:</u>					
Exchange differences on translation of foreign operation	— ⁽¹⁾	— ⁽¹⁾	1	— ⁽¹⁾	— ⁽¹⁾
Total comprehensive income/(loss) for the year/period	13,947	13,159	(1,659)	(514)	(431)
Basic and diluted earnings/(loss) per share (cents)	4.36	5.88	(0.66)	(0.21)	(0.17)

Source: Annual Reports of the Group for FY2014 and FY2015, Company's Unaudited Financial Statements and Dividend Announcement for the First Quarter and Three Months Ended 31 March 2016 dated 12 May 2016.

Note:

(1) This represents an amount less than S\$1,000.

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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.

Under the Maximum Subscription Scenario:

	FY2013	FY2014	FY2015	1Q2015	1Q2016
Profit/(loss) attributable to Shareholders (S\$'000)	8,729	13,159	(1,660)	(514)	(431)
<u>EPS/(LPS) before the Rights Issue⁽¹⁾</u>					
Weighted average number of Shares in issue ('000)	200,000	223,836	250,000	250,000	250,000
EPS/(LPS) attributable to Shareholders (cents)	4.36	5.88	(0.66)	(0.21)	(0.17)
<u>EPS/(LPS) after the Rights Issue and the full exercise of Warrants⁽²⁾</u>					
Weighted average number of Shares in issue	262,500,000	286,336,000	312,500,000	312,500,000	312,500,000
EPS/(LPS) attributable to Shareholders (cents)	3.33	4.60	(0.53)	(0.16)	(0.14)
<u>Dividend</u>					
Dividend per Share (cents)	—	1.2	1.0	—	—

Notes:

- (1) Based on the issued share capital of the Company of 250,000,000 Shares as at the Latest Practicable Date.
- (2) Based on the enlarged share capital of the Company following the allotment and issue of 62,500,000 New Shares.

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Under the Minimum Subscription Scenario:

	FY2013	FY2014	FY2015	1Q2015	1Q2016
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Profit/(loss) attributable to Shareholders	8,729	13,159	(1,660)	(514)	(431)
<u>EPS/(LPS) before the Rights Issue⁽¹⁾</u>					
Weighted average number of Shares in issue ('000)	200,000	223,836	250,000	250,000	250,000
EPS/(LPS) attributable to Shareholders (cents)	4.36	5.88	(0.66)	(0.21)	(0.17)
<u>EPS/(LPS) after the Rights Issue and the full exercise of Warrants⁽²⁾</u>					
Weighted average number of Shares in issue	250,039,750	273,875,750	300,039,750	300,039,750	300,039,750
EPS/(LPS) attributable to Shareholders (cents)	3.49	4.80	(0.55)	(0.17)	(0.14)
<u>Dividend</u>					
Dividend per Share (cents)	—	1.2	1.0	—	—

Notes:

- (1) Based on the issued share capital of the Company of 250,000,000 Shares as at the Latest Practicable Date.
- (2) Based on the enlarged share capital of the Company following the allotment and issue of 50,039,750 New Shares.

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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.

FY2014 compared to FY2013

Revenue

Revenue increased by approximately S\$18.4 million or 87.6%, from S\$21.0 million in FY2013 to S\$39.4 million in FY2014. This was primarily due to the commencement of fabrication and installation works for a firearm shooting range project and a tactical training mock-up project both in Southeast Asia, and a firearm shooting range project in the Middle East. These projects were mostly in the design work phase in FY2013 and there were more fabrication works carried out in FY2014 as compared to FY2013.

Project and production costs

Project and production costs increased by approximately S\$8.8 million or 104.8%, from S\$8.4 million in FY2013 to S\$17.2 million in FY2014, primarily due to the increase in material and fabrication costs in connection with major fabrication and installation works carried out in FY2014. The increase was in line with the increase in revenue in FY2014.

Gross profit and gross profit margin

As a result of the foregoing, gross profit increased by approximately S\$9.6 million or 76.2%, from S\$12.6 million in FY2013 to S\$22.2 million in FY2014. The Group's gross profit margin marginally decreased from 60.0% in FY2013 to 56.4% in FY2014.

Other operating income

Other operating income decreased by approximately S\$0.6 million or 50.0%, from S\$1.2 million in FY2013 to S\$0.6 million in FY2014. The decrease was primarily due to other operating income inflated by the writeback of allowance of doubtful trade receivables from a customer in FY2013 in connection with a project in the Middle East.

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Employee benefits expenses

Employee benefits expenses increased by approximately S\$1.3 million or 65.0%, from S\$2.0 million in FY2013 to S\$3.3 million in FY2014. The increase in employee benefits expenses was primarily due to additional staff being recruited for the Group's Abu Dhabi representative office, an annual increment exercise for staff, provision of bonuses for staff, and directors' fees and performance bonuses.

Depreciation expenses

Depreciation expenses increased by approximately S\$0.2 million or 50.0%, from S\$0.4 million in FY2013 to S\$0.6 million in FY2014, primarily due to the adoption of the revaluation model under FRS 16 Property, Plant and Equipment for the Group's leasehold land and building in May 2013, which resulted in an increase in the carrying value of the Group's leasehold land and building.

Other operating expenses

Other operating expenses increased by approximately S\$1.6 million or 133.3%, from S\$1.2 million in FY2013 to S\$2.8 million in FY2014, primarily due to the increase in professional fees and related expenses of approximately S\$1.2 million in relation to the Company's initial public offering in July 2014 and additional administrative, sales and marketing costs incurred for the Group's Abu Dhabi representative office.

Finance costs

Finance costs increased by approximately S\$178,000 or 217.1%, from S\$82,000 in FY2013 to S\$260,000 in FY2014, primarily due to an increase in the utilisation of term loan, bank overdrafts, letters of credit and trust receipts in FY2014 as compared to FY2013.

Income tax expense

Income tax expense increased by approximately S\$1.2 million or 85.7%, from S\$1.4 million in FY2013 to S\$2.6 million in FY2014. The increase in income tax expense was mainly attributable to the increase in profit before income tax, non-deductible expenses arising from the Company's initial public offering and less tax allowance claimed under the Productivity and Innovation Credit scheme as compared to FY2013.

Net profit and net profit margin

As a result of the foregoing, net profit for the year increased by S\$4.5 million or 51.7%, from S\$8.7 million in FY2013 to S\$13.2 million in FY2014, and the Group's net profit margin decreased from 41.5% in FY2013 to 33.5% in FY2014.

FY2015 compared to FY2014

Revenue

Revenue decreased by approximately S\$23.4 million or 59.5%, from S\$39.3 million in FY2014 to S\$15.9 million in FY2015. The decrease was primarily due to the completion of a firearm shooting range project and a tactical training mock-up project both in

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Southeast Asia, and a firearm shooting range project in the Middle East. Less revenue was recognised from these projects as they were mostly in the installation work phase in FY2015 as compared to the higher value added fabrication work phase in FY2014. The Group's firearm shooting ranges contracts from the Middle East secured in FY2015 are currently at the beginning of fabrication work phase and the timing difference of the commencement of new projects also contributed to the decline in revenue contribution in FY2015.

Project and production costs

Project and production costs decreased by approximately S\$5.1 million or 29.7%, from S\$17.2 million in FY2014 to S\$12.1 million in FY2015. The decrease was primarily due to the decrease in material and fabrication costs in FY2015, when projects secured prior to FY2015 were completed in the second quarter of FY2015 and there were relatively less fabrication works as compared to FY2014.

Gross profit and gross profit margin

As a result of the foregoing, gross profit decreased by approximately S\$18.3 million or 82.4%, from S\$22.2 million in FY2014 to S\$3.9 million in FY2015. Gross profit margin also decreased from 56.4% in FY2014 to 24.2% in FY2015. Gross profit and gross profit margin in FY2015 were also impacted by a delay as well as changes in the specifications, both of which resulted in higher than expected costs incurred for the project.

Other operating income

Other operating income decreased by approximately S\$0.3 million or 50.0%, from S\$0.6 million in FY2014 to S\$0.3 million in FY2015. The decrease was primarily due to the decrease in foreign currency exchange gain from firearm shooting range projects in the Middle East and a decrease in gain on disposal of property, plant and equipment in FY2015.

Employee benefits expenses

Employee benefits expenses decreased by approximately S\$0.1 million or 2.9%, from S\$3.4 million in FY2014 to S\$3.3 million in FY2015. The decrease in employee benefit expenses was primarily due to a decrease in provision of staff bonuses.

Depreciation expenses

Depreciation expenses increased by approximately S\$0.6 million or 100.0%, from S\$0.6 million in FY2014 to S\$1.2 million in FY2015, primarily due to the purchase of new machines, motor vehicles, equipment and new leasehold property at 6 Tuas View Circuit.

Other operating expenses

Other operating expenses decreased by approximately S\$0.4 million or 14.3%, from S\$2.8 million in FY2014 to S\$2.4 million in FY2015, primarily due to one-off expenses incurred in FY2014 in relation to the Company's initial public offering.

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Finance costs

Finance costs decreased by approximately S\$65,000 or 25.0%, from S\$260,000 in FY2014 to S\$195,000 in FY2015, primarily due to a decrease in the utilisation of term loans, bank overdrafts, letters of credit and trust receipts in FY2015 as compared to FY2014.

Income tax expenses

Income tax expense decreased by approximately S\$3.8 million or 146.2%, from S\$2.6 million tax expense in FY2014 to S\$1.2 million tax credit in FY2015. The decrease in income tax expense was in line with the loss incurred for the year and the recognition of deferred tax asset arising from unutilised tax losses, capital allowances and tax benefits under the Productivity and Innovation Credit scheme.

Net loss for the year

As a result of the foregoing, the Group recorded a net loss of approximately S\$1.7 million in FY2015.

1Q2016 compared to 1Q2015

Revenue

Revenue increased by approximately S\$3.9 million or 135.3%, from S\$2.9 million in 1Q2015 to S\$6.8 million in 1Q2016. This can be attributed to the different work phases that our projects were in, as revenue is recognised based on the percentage-of-completion method. In 1Q2016, we were involved primarily in the design and fabrication work phases of the Marina One architectural steel project at Marina Way in Singapore, and three firearm shooting range projects in the Middle East. In comparison, our projects in 1Q2015 were mostly in the final installation work phase, comprising a firearm shooting range project Southeast Asia, a tactical training mock-up project in Southeast Asia, and a firearm shooting range project in the Middle East.

Project and production costs

Project and production costs increased by approximately S\$2.8 million or 114.4%, from S\$2.4 million in 1Q2015 to S\$5.2 million in 1Q2016. The increase was primarily due to the increase in material and fabrication costs in 1Q2016 as more projects were under the design and fabrication work phases as compared to 1Q2015.

Gross profit and gross profit margin

As a result of the foregoing, gross profit increased by approximately S\$1.1 million or 220.0%, from S\$0.5 million in 1Q2015 to S\$1.6 million in 1Q2016. Gross profit margin increased from 17.2% in 1Q2015 to 23.5% in 1Q2016.

Other operating income

Other operating income decreased by approximately S\$280,000 or 80.7%, from S\$347,000 in 1Q2015 to S\$67,000 in 1Q2016. In 1Q2015, we recognised a foreign currency exchange gain for an amount of S\$293,000 from a firearm shooting range project in the Middle East.

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

Employee benefits expenses

Employee benefits expenses increased by approximately S\$238,000 or 36.8%, from S\$647,000 in 1Q2015 to S\$885,000 in 1Q2016. The increase in employee benefits expenses was primarily due to the recruitment of additional staff and provision of bonus.

Depreciation expenses

Depreciation expenses increased by approximately S\$228,000 or 131.8%, from S\$173,000 in 1Q2015 to S\$401,000 in 1Q2016, primarily due to the purchase of new machines, motor vehicles, equipment and new leasehold property at 6 Tuas View Circuit.

Other operating expenses

Other operating expenses increased by approximately S\$371,000 or 84.5%, from S\$439,000 in 1Q2015 to S\$810,000 in 1Q2016, primarily due to the increase in foreign currency exchange losses arising from the projects in the Middle East.

Finance costs

Finance costs increased by approximately S\$44,000 or 231.6%, from S\$19,000 in 1Q2015 to S\$63,000 in 1Q2016, primarily due to an increase in the utilisation of term loans.

Income tax benefit

Income tax benefit increased by approximately S\$103,000 or 187.3%, from income tax expense of S\$55,000 in 1Q2015 to income tax benefit of S\$48,000 in 1Q2016. The increase in income tax benefit was mainly due to the recognition of deferred tax for the unutilised tax loss.

Net loss for the period

As a result of the foregoing, we recorded a net loss of S\$0.4 million in 1Q2016.

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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.

The consolidated statements of financial position of the Group as at 31 December 2015 and as at 31 March 2016 are set out below:

	As at 31 Dec 2015	As at 31 March 2016
	Audited	Unaudited
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash on hand and at bank	8,376	2,794
Trade and other receivables	5,998	7,477
Contract work-in-progress	7,409	11,376
Inventories	4,245	3,702
Total current assets	<u>26,028</u>	<u>25,349</u>
Non-current assets		
Fixed deposits pledged	4,236	4,392
Prepayments	1,067	1,056
Property, plant and equipment	32,851	32,719
Deferred tax assets	67	120
Total non-current assets	<u>38,221</u>	<u>38,287</u>
Total assets	<u>64,249</u>	<u>63,636</u>

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	As at 31 Dec 2015	As at 31 March 2016
	Audited	Unaudited
	S\$'000	S\$'000
LIABILITIES AND EQUITY		
Current liabilities		
Trust receipts, bank overdrafts and current portion of bank loans	644	647
Trade and other payables	2,450	1,955
Contract work-in-progress	—	490
Current portion of finance leases	86	86
Income tax payable	7	12
Total current liabilities	<u>3,187</u>	<u>3,190</u>
Non-current liabilities		
Bank loans	13,999	13,836
Finance leases	250	228
Total non-current liabilities	<u>14,249</u>	<u>14,064</u>
Capital and reserves		
Share capital	40,570	40,570
Asset revaluation reserve	5,218	5,218
Currency translation reserve	1	1
Merger reserve	(25,438)	(25,438)
Retained earnings	26,462	26,031
Total equity	<u>46,813</u>	<u>46,382</u>
Total liabilities and equity	<u>64,249</u>	<u>63,636</u>

Source: Annual Reports of the Group for FY2014 and FY2015, Company's Unaudited Financial Statements and Dividend Announcement for the First Quarter and Three Months Ended 31 March 2016 dated 12 May 2016.

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

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.

For illustrative purposes only, the following is an analysis of the effects of the Rights Issue and the exercise of the Warrants on the NAV per Share based on the audited consolidated statement of financial position of the Group as at 31 December 2015 and the unaudited consolidated statement of financial position of the Group as at 31 March 2016:

	As at 31 December 2015	As at 31 March 2016
<u>Before the Rights Issue</u>		
NAV (S\$)	46,813,000	46,382,000
Number of Shares in issue	250,000,000	250,000,000
NAV per Share (cents)	Approximately 18.73	Approximately 18.55
<u>Immediately after the Rights Issue assuming that 62,500,000 Warrants are issued and none of the Warrants are exercised</u>		
NAV adjusted for the Net Proceeds (S\$)	47,288,000	46,857,000
Number of Shares in issue	250,000,000	250,000,000
NAV per Share (cents)	Approximately 18.92	Approximately 18.74
<u>Immediately after the Rights Issue assuming that 62,500,000 Warrants are issued and all of the Warrants are exercised</u>		
NAV adjusted for the Net Proceeds and Exercise Proceeds (S\$)	62,913,000	62,482,000
Number of Shares in issue	312,500,000	312,500,000
NAV per Share (cents)	Approximately 20.13	Approximately 19.99

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.

The audited consolidated statement of cash flows for the Group for FY2015 and the unaudited consolidated statement of cash flows for the Group for 1Q2016 are set out below:

	FY2015	1Q2016
	Audited	Unaudited
	S\$'000	S\$'000
Net cash flows from (used in) operating activities	6,338	(5,010)
Net cash flows used in investing activities	(18,661)	(390)
Net cash flows from (used in) financing activities	10,002	(182)
Net decrease in cash and cash equivalents	(2,321)	(5,582)
Cash and cash equivalents at the beginning of the year/period	10,696	8,376
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	1	— ⁽¹⁾
Cash and cash equivalents at the end of the year/period	8,376	2,794

Source: Annual Reports of the Group for FY2014 and FY2015, Company's Unaudited Financial Statements and Dividend Announcement for the First Quarter and Three Months Ended 31 March 2016 dated 12 May 2016.

Note:

(1) This represents an amount less than S\$1,000.

A review of the cash flow position of the Group for FY2015 and 1Q2016 is set out below:

FY2015***Net cash from operating activities***

Net cash from operating activities was approximately S\$6.3 million in FY2015, which was a result of working capital inflow of approximately S\$10.7 million, offset by operating cash outflow before movements in working capital of approximately S\$1.5 million, income tax payments of approximately S\$2.8 million and interest paid of approximately S\$0.1 million. The decrease in working capital was primarily due to the decrease in trade and other

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

receivables of approximately S\$7.3 million and decrease in contract work-in-progress of approximately S\$8.6 million, partially offset by an increase in inventories of approximately S\$1.8 million and decrease in trade and other payables of approximately S\$3.4 million.

Net cash used in investing activities

Net cash used in investing activities was approximately S\$18.7 million in FY2015, which was primarily due to the purchase of property, plant and equipment of approximately S\$25.0 million and partially offset by the withdrawal of fixed deposits of approximately S\$6.3 million.

Net cash from financing activities

Net cash from financing activities was approximately S\$10.0 million in FY2015, which was primarily due to drawdown of a new mortgage loan of approximately S\$15.0 million and partially offset by dividend payments of approximately S\$3.0 million, repayment of bank loans of approximately S\$1.9 million and repayment of finance lease of approximately S\$0.1 million.

1Q2016

Net cash used in operating activities

Net cash used in operating activities was approximately S\$5.0 million in 1Q2016, which was a result of operating cash outflows before movements in working capital of approximately S\$43,000, mainly pared by an increase in working capital of approximately S\$4.9 million. The increase in working capital was primarily due to the increase in trade and other receivables of approximately S\$1.5 million, contract work-in-progress of approximately S\$3.4 million and a decrease in trade and other payables of approximately S\$0.5 million and partially offset by a decrease in inventories of approximately S\$0.5 million.

Net cash used in investing activities

Net cash used in investing activities was approximately S\$390,000 in 1Q2016, which was primarily due to the increase in fixed deposits of approximately S\$156,000 and purchase of property, plant and equipment of approximately S\$269,000, which was partially offset by the proceeds from disposal of property, plant and equipment of S\$35,000.

Net cash used in financing activities

Net cash used in financing activities was approximately S\$182,000 in 1Q2016, which was primarily due to repayment of bank loans of approximately S\$160,000 and repayment of finance lease of approximately S\$22,000.

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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 lodgement 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.**
-

The Directors are of the opinion that, as at the date of lodgement of this Offer Information Statement, barring any unforeseen circumstances and after taking into consideration the Group's internal resources, operating cash flows and banking facilities, the working capital available to the Group is sufficient to meet its present requirements.

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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As at the Latest Practicable Date, to the best of the Directors' knowledge, the Group is not in breach of any of the 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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Save as disclosed below and in this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any trends, uncertainties, demands, commitments or events which 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 this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition.

As military and law enforcement agencies prepare for the rising terrorism threats by better equipping their security personnel with effective and more intense training on the use of live firearms, the Group is actively responding to enquiries and requests for tenders for firearm shooting ranges, tactical training mock-ups and other security-related equipment from authorities in Southeast Asia and the Middle East. The Group expects to secure new contracts in the current financial year.

In addition to providing new and refurbishing existing firearm training facilities, the Group is also working closely with the relevant authorities to prolong the operational efficiency of their increasingly complex and sophisticated shooting ranges through proper and timely maintenance. With firearm training ranges being subject to more vigorous trainings with higher calibre firearms, these authorities are mindful of working with reputable maintenance service providers like Starburst Holdings Limited and such opportunities will enable the Group to expand its portfolio of maintenance services contracts as well as grow its recurrent revenue base.

As a major portion of the Group's business is project based, the revenue contribution from the Group's project based business may vary from quarter to quarter, depending on the size and scope of the projects on hand and their completion schedules.

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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.

- 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**

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

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.
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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.

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

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; and**
- (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 paragraph 9 of Part IV of this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any event which has occurred since 31 March 2016 to the Latest Practicable Date which has not been publicly announced which may have a material effect on the financial position and results of the Group.

Meaning of “Published”

16. In this Part, “published” includes publication 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 lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**
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The Issue Price is S\$0.01 for each Warrant, payable in full on acceptance and/or application.

The expenses incurred in connection with the Rights Issue will not be specifically charged to subscribers or purchasers of the Warrants.

For Electronic Applications made through the ATMs of the Participating Banks, a non-refundable administrative fee for each application will be charged by each of the respective Participating Banks at the point of application, and such administrative fee will be borne by the subscribers of the Warrants.

The Exercise Price for each New Share is S\$0.25, payable in full upon exercise of the Warrants (subject to any adjustment under certain circumstances as provided 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.**
-

The Shares are, and the Warrants (subject to there being a sufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants) and the New Shares will be, traded on Catalist.

The Issue Price of S\$0.01 for each Warrant and the Exercise Price of S\$0.25 for each New Share were determined by the Company after taking into consideration, amongst others, the market price of the Shares and the Exercise Period of the Warrants.

The aggregate of the Issue Price and the Exercise Price, being S\$0.26, is a discount of approximately 11.9% to the closing price of S\$0.295 per Share on Catalist on 9 May 2016, being the latest trading date on which there were trades in the Shares on the SGX-ST prior to the Latest Practicable Date.

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

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.

Other than the provisional allotment of Warrants, none of the Shareholders has pre-emptive rights to subscribe for the Warrants.

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

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**
- (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;**

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

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

-
- (a) No securities of the same class as the Warrants are listed for quotation on any securities exchange. However, the New Shares to be issued upon any exercise of the Warrants are of the same class as the Shares and such Shares are listed for quotation on Catalist.

The highest and lowest closing prices for the Shares and volume of the Shares traded on Catalist over the last 12 months immediately preceding the Latest Practicable Date and for the period from 1 May 2016 to the Latest Practicable Date are as follows:

Month	Price Range in S\$		Average Daily Volume Traded Shares
	High	Low	
May 2015	0.580	0.475	183,738
June 2015	0.500	0.445	51,850
July 2015	0.480	0.410	36,486
August 2015	0.450	0.280	119,429
September 2015	0.300	0.280	40,775
October 2015	0.355	0.240	448,416
November 2015	0.305	0.275	45,287
December 2015	0.300	0.260	18,322
January 2016	0.300	0.265	30,808
February 2016	0.300	0.285	6,850
March 2016	0.325	0.260	88,590
April 2016	0.315	0.285	47,647
1 May 2016 to the Latest Practicable Date	0.295	0.285	13,150

Source: Bloomberg L.P.. ⁽¹⁾

Note:

- (1) Bloomberg L.P. has not consented to the inclusion of the information above, and is thereby not liable for these statements under Sections 253 and 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of the content of these statements.

- (b) Not applicable. The Shares have been listed and quoted for more than 12 months immediately preceding the Latest Practicable Date.

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

- (c) There has been no significant trading suspension on Catalist during the three (3) years immediately preceding the Latest Practicable Date.
- (d) Please refer to the table set out in paragraph 4(a) of this Part for the volume of Shares traded during each of the last 12 months immediately preceding the Latest Practicable Date. Based on the information set out in the table under paragraph 4(a) of this Part, the Shares are regularly traded on Catalist.

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.**

Please refer to the “**Summary of Rights Issue and Warrants**” section of this Offer Information Statement for information on the rights, preferences and restrictions attached to the Warrants.

The New Shares will, when allotted and issued upon the exercise of the Warrants, be fully paid and shall rank equally and without preference in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.

The Warrants and New Shares are to be issued pursuant to the Rights Issue Resolution approved by Shareholders at the extraordinary general meeting of the Company held on 22 April 2016.

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 effects 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.**

Based on the Existing Share Capital, up to 62,500,000 Warrants are proposed to be offered on a renounceable non-underwritten basis to Entitled Shareholders at the Issue Price of S\$0.01 for each Warrant, on the basis of one (1) Warrant for every four (4) Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

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The Warrants are payable in full upon acceptance and/or application. The New Shares will, upon allotment and issue pursuant to the exercise of the Warrants, rank equally and without preference in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.

All fractional entitlements to the Warrants will be disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with the entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for excess Warrants, or dealt with in such manner as the Directors in their absolute discretion deem fit. In the allotment of excess Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders (including the Undertaking Shareholders) will rank last in priority.

The Warrants will not be underwritten and will not be offered through any broker or dealer.

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

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

Not applicable. The Rights Issue is not underwritten.

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 attributed to a person as 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.

Not applicable. No statement or report attributed to a person as an expert is included in this Offer Information Statement.

3. **The information referred to in paragraphs 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 attributed to a person as an expert is included in this Offer Information Statement.

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

Consents from Issue Manager and Underwriter

- 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.**

The Issue Manager has given and has not, before the lodgement of this Offer Information Statement with the SGX-ST (acting as agent on behalf of the Authority), withdrawn its written consent to being named in this Offer Information Statement as the Issue Manager for the Rights Issue.

No underwriter has been appointed in relation to the Rights Issue.

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, or as may have been publicly announced by the Company via SGXNET, to the best of their knowledge, the Directors are not aware of any other matters not disclosed under any paragraph of this Offer Information Statement which could materially affect, directly or indirectly, the Group's business operations or financial position or results or investments by holders of securities in the Company.

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

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.

PART X — ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE

1. Provide:

(a) the particulars of the rights issue;

Please refer to the “**Summary of Rights Issue and Warrants**” section of this Offer Information Statement for the particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

2 June 2016 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for more details.

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

8 June 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for more details.

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

- (d) **the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;**
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8 June 2016 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Depositors who wish to renounce their provisional allotment of Warrants in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce their provisional allotment of Warrants are advised to do so early to allow sufficient time for the renounee to accept his provisional allotment of Warrants.

Please refer to the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for more details.

- (e) **the terms and conditions of the offer of securities to be issued pursuant to the rights issue;**
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The allotment and issue of the Warrants pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular, **Appendices I to IV** of this Offer Information Statement and in the PAL, the WEWAF and the WAF.

- (f) **the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the entity to subscribe for their entitlements; and**
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As at the Latest Practicable Date, Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo hold 100,079,000 and 100,080,000 Shares respectively representing approximately 40.03% and 40.03% respectively of the aggregate number of issued Shares. Accordingly, Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo will be entitled to subscribe for 25,019,750 and 25,020,000 Warrants respectively pursuant to the Rights Issue.

To demonstrate their support for the Rights Issue as well as their commitment to the Company, each of Mr. Edward Lim Chin Wah and Mr. Yap Tin Foo, being the Undertaking Shareholders, had executed an irrevocable undertaking dated 7 March 2016 (each an “**Irrevocable Undertaking**” and collectively, the “**Irrevocable Undertakings**”), pursuant to which they have each given an irrevocable undertaking to the Company to:

- (a) not, during the period commencing from the date of his Irrevocable Undertaking up to and including the date of listing of and quotation for the Warrants on Catalyst, directly or indirectly, acquire, transfer, dispose of or otherwise reduce his shareholding in the Company;

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

- (b) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, directly and/or through one or more of his nominee(s), accept, subscribe and pay in full for his pro-rata entitlement under the Rights Issue in relation to the Warrants;
- (c) not, during the period commencing from the date of his Irrevocable Undertaking up to and including the date of the listing of and quotation for the Warrants on Catalist, make any statement or announcement regarding the Rights Issue or the Company, its subsidiaries or associated companies in connection with the Rights Issue, without first obtaining the prior written consent of the Company;
- (d) inform the Company as soon as reasonably practicable in writing if he becomes aware of any circumstances that might prejudice or otherwise affect his ability to fulfil any of his obligations under his Irrevocable Undertaking; and
- (e) procure a confirmation from a financial institution that he has the necessary financial resources to fulfil his obligations under his Irrevocable Undertaking in a form which is satisfactory to the SGX-ST and the Sponsor and Issue Manager.

Under the Irrevocable Undertakings, the Undertaking Shareholders do not have the obligation to exercise any of their Warrants.

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- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**
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In view of the Irrevocable Undertakings, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE
UNDER APPENDIX 8A OF THE CATALIST RULES**

1. REVIEW OF WORKING CAPITAL

Provide a review of the working capital for the last 3 financial years and the latest half year, if applicable.

The total current assets, total current liabilities and working capital of the Group as at 31 December 2013, 31 December 2014 and 31 December 2015 are as follows:

	As at 31 Dec 2013	As at 31 Dec 2014	As at 31 Dec 2015
	Audited	Audited	Audited
	S\$'000	S\$'000	S\$'000
Current Assets	24,690	49,521	26,028
Current Liabilities	<u>8,953</u>	<u>8,772</u>	<u>3,187</u>
Net Current Assets	<u><u>15,737</u></u>	<u><u>40,749</u></u>	<u><u>22,841</u></u>

Source: Annual Reports of the Group for FY2014 and FY2015.

A review of the working capital of the Group from FY2013 to FY2015 is set out below.

As at 31 December 2014 compared to 31 December 2013

The Group's working capital was increased by approximately S\$25.0 million to S\$40.7 million in FY2014 from S\$15.7 million in FY2013, this was mainly due to the increase in cash on hand and at bank of approximately S\$5.2 million, fixed deposits of approximately S\$12.0 million, contract work-in-progress of approximately S\$5.4 million and trade and other receivables of approximately S\$2.9 million and a decrease in current liabilities of approximately S\$0.2 million which was partially offset by a decrease in inventories of approximately S\$0.7 million.

As at 31 December 2015 compared to 31 December 2014

The Group's working capital was decreased by approximately S\$17.9 million to S\$22.8 million in FY2015 from S\$40.7 million in FY2014, this was mainly due to the decrease in fixed deposits of approximately S\$12.0 million, contract work-in-progress of approximately S\$8.6 million and trade and other receivables of approximately S\$7.4 million, and an increase in current portion of bank loans of approximately S\$0.5 million and which was partially offset by an increase in cash on hand and at bank of approximately S\$2.7 million and inventories of approximately S\$1.8 million, and a decrease in income tax payable of approximately S\$2.7 million and trade and other payables of approximately S\$3.4 million.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE UNDER APPENDIX 8A OF THE CATALIST RULES

2. CONVERTIBLE SECURITIES

- (i) **Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, provide the information in Rule 832 of the Catalist Rules.**

Please refer to the section entitled “**Summary of Rights Issue and Warrants**” of this Offer Information Statement and **Appendix I** of this Offer Information Statement for details relating to the Warrants.

Please refer to paragraph 3 of Part IV of this Offer Information Statement for details relating to the net proceeds of the Warrants.

Please refer to paragraphs 2 and 5 of Part V of this Offer Information Statement for the financial effects of the Rights Issue.

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- (ii) **Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable. The Rights Issue is not underwritten.

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3. **A statement by the sponsor and each financial adviser that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the financial adviser is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, it is satisfied that the profit forecast has been stated by the directors after due and careful enquiry.**

To the best of the Sponsor’s knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Sponsor is not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading.

No profit forecast is contained in this Offer Information Statement.

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

Up to 62,500,000 Warrants (as defined below) to subscribe for up to 62,500,000 new ordinary shares in the capital of Starburst Holdings Limited are issued subject to and with the benefit of the Deed Poll (as defined below). The issue of the Warrants was authorised by a resolution of the board of Directors (as defined below) passed on 7 March 2016 and a resolution of the Shareholders (as defined below) passed on 22 April 2016.

A listing and quotation notice has been obtained from the SGX-ST (as defined below) for 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 Conditions (as defined below) 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 specified office of the Warrant Agent (as defined below) and the Warrantheolders (as defined below) 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

In the Deed Poll and these terms and conditions contained herein (except where such definition shall be inconsistent with the subject matter or context), the words and expressions set out below shall have the meanings set out against them:

“**Approved Bank**” means any bank or merchant bank in Singapore 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 requested of them pursuant to the provisions of the Deed Poll or the Conditions, such other auditors as may be nominated by the Company;

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

“**Catalist**” means the sponsor-supervised listing platform of the SGX-ST;

“**Catalist Rules**” means Section B of the listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time;

“**Companies Act**” means the Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time;

“**Company**” means Starburst Holdings Limited;

“**Conditions**” means the terms and conditions of the Warrants in the form set out in this Schedule 2 and enfacéd and/or endorsed on the Warrant Certificates, as the same may from time to time be modified in accordance with the provisions of the Deed Poll;

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

“**Deed Poll**” means the deed poll dated 19 May 2016, as the same may be amended, modified or supplemented from time to time;

“**Depositor**” and “**Depository**” shall have the respective meanings ascribed to them in Section 81SF of the SFA;

“**Depository Register**” means the register maintained by the Depository pursuant to Part IIIAA of the SFA in respect of the Warrants registered in the name of the Depository;

“**Directors**” means the directors of the Company as at the date of the Deed Poll;

“**Exercise Date**” means, in relation to the exercise of a Warrant, the Business Day on which the applicable conditions referred to in Condition 4(A) 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 Register of Members of the Company is closed, then the “**Exercise Date**” shall be earlier of the next Business Day on which the Register of Members of the Company is open and the Expiry Date;

“**Exercise Notice**” means a notice (for the time being current) for the exercise of the Warrants substantially in the forms set out in Schedule 4, copies of which may be obtained from the Warrant Agent;

“**Exercise Period**” means the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the Expiry Date;

“**Exercise Price**” means the sum payable in respect of each New Share to which the Warrantheader will be entitled to subscribe for upon the exercise of a Warrant, which shall be S\$0.25, subject to certain adjustments in accordance with the Conditions;

“**Expiry Date**” means the date on which the Warrants will expire, being the date immediately preceding the fifth (5th) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members is closed or is not a Market Day, in which event, the Expiry Date shall be the immediately preceding Market Day on which the Register of Members remains open, but excluding such period(s) during which the Register of Warrantheaders may be closed, subject to the terms and conditions of the Warrants as set out in the Deed Poll;

“**Global Warrant Certificate**” means the global Warrant Certificate in respect of such Warrants held through the Depository, in such number as required by the Depository, which will be deposited with the Depository;

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

“**Members**” means the members for the time being of the Company;

“**New Shares**” means the new Shares to be allotted and issued by the Company, credited as fully paid, upon the exercise of the Warrants, including, where the context admits, such new Shares arising from the exercise of any additional Warrants as may be required or permitted to be issued in accordance with the Conditions;

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

“Register of Members” means the register of members containing the names and addresses of the members of the Company kept at the registered office of the Company;

“Register of Warrantholders” means the register of Warrantholders required to be maintained pursuant to Condition 4(F);

“S\$” means the lawful currency of Singapore;

“Schedule” means a schedule to the Deed Poll;

“Securities Account” means a securities account maintained by a Depositor with the Depository (but does not include a securities sub-account maintained with a Depository Agent);

“SFA” means the Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time;

“SGX-ST” means Singapore Exchange Securities Trading Limited;

“SGXNET” means the SGXNET Corporate Announcement System;

“Share Registrar” means Boardroom Corporate & Advisory Services Pte. Ltd. of 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, or such other person, firm or company as may be appointed as such from time to time by the Company;

“Shareholders” means the registered holders of Shares in the Register of Members, except that where the registered holder is the Depository, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares;

“Shares” means ordinary shares in the capital of the Company;

“Special Account” means the account maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by exercising Warrantholders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrantholders;

“Special Resolution” means a resolution passed at a meeting of the Warrantholders duly convened and held and carried by a majority consisting of not less than three-fourths (3/4ths) of the votes cast thereon;

“unexercised” means, in relation to the Warrants, all the Warrants which have been issued pursuant to the shareholders’ resolution passed at an extraordinary general meeting of the Company to approve the creation and issue of the Warrants and all the Warrants which are issued pursuant to Condition 5 for so long as the Warrants shall not have lapsed in accordance with Condition 3 other than (a) those which have been exercised in accordance with their terms, (b) those mutilated or defaced Warrants in respect of which replacement Warrants have been duly issued pursuant to Condition 10, and (c) for the purpose of ascertaining the number of Warrants unexercised at any time (but not for the purpose of ascertaining whether any Warrants are unexercised), those Warrants alleged to have been lost, stolen or destroyed and in respect of which replacement Warrants have been issued pursuant to Condition 10; provided that for the purposes of (i) the right to attend and vote at any meeting of Warrantholders, and (ii) the

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

determination of how many and which Warrants for the time being remain unexercised for the purposes of Condition 12 and paragraphs 1, 3, 4 and 8 of Schedule 3, those Warrants which have not been exercised but have been lodged for exercise (whether or not the conditions precedent to such exercise have been or will be fulfilled) shall, unless and until withdrawn from lodgement, be deemed not to remain unexercised;

“**Warrant Agency Agreement**” means the warrant agency agreement dated the same date as the Deed Poll 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 Agent**” means Boardroom Corporate & Advisory Services Pte. Ltd. of 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, or such other person as may be appointed as such from time to time by the Company pursuant to the Warrant Agency Agreement;

“**Warrant Certificates**” means the certificates (in registered form) to be issued in respect of the Warrants substantially in the form set out in Schedule 1, as may from time to time be modified in accordance with the provisions set out herein;

“**Warrantholders**” means the registered holders of the Warrants, except that where the registered holder is the Depository, the term “**Warrantholders**” shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Account(s) with the Depository are credited with Warrants, provided that for the purposes of Schedule 3 relating to meetings of Warrantholders, such Warrantholders shall mean those Depositors having Warrants credited to their Securities Account(s) as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of a meeting of Warrantholders supplied by the Depository to the Company. The word “**holder**” or “**holders**” in relation to Warrants shall (where appropriate) be construed accordingly; and

“**Warrants**” means the warrants issued pursuant to the resolutions referred to in the Recitals hereto and the additional bonus warrants to be issued pursuant to Condition 5 and for the time being remaining unexercised or, as the context may require, a specific number thereof and includes any replacement Warrant issued pursuant to Condition 10.

2. FORM AND TITLE

- (A) The Warrants are issued in registered form. Title to the Warrants shall be transferable in accordance with Condition 9. The Warrant Agent shall maintain the Register of Warrantholders on behalf of the Company and except as required or provided by law:
- (i) the registered holder of the Warrants (other than the Depository); and
 - (ii) (where the registered holder of the Warrants is the Depository) each Depositor for the time being appearing in the Depository Register maintained by the Depository as having Warrants credited to its Securities Account(s),

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

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 and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft of the relevant Warrant Certificate(s) or any irregularity or error in the records of the Depository or any express notice to the Company or the 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.

- (B) The executors and administrators of a deceased Warrantholder shall be the only persons recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on the payment of such fees and expenses referred to in Condition 9, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made.
- (C) If two (2) or more persons are entered in the Register of Warranholders or the Depository Register (as the case may be) as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:
 - (i) the Company shall not be bound to register more than three (3) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or administrators (or trustees) of the estate of a deceased Warrantholder;
 - (ii) joint holders of any Warrant whose names are entered in the Register of Warranholders or the Depository Register shall be treated as one (1) Warrantholder;
 - (iii) 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 Register of Warranholders shall be sufficient delivery to all; and
 - (iv) the joint holders of any Warrant whose names are entered in the Register of Warranholders or the Depository Register, as the case may be, shall be, jointly and severally, liable in respect of all payments which ought to be made in respect of such Warrants.

3. EXERCISE RIGHTS

- (A) Each Warrantholder shall have the right, by way of exercise of each 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 of and subject to these Conditions, to subscribe for one (1) 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

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

payment for the 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 payments shall be refunded and no fraction of a Share shall be allotted.

- (B) At the expiry of the Exercise Period, any Warrant which has not been exercised in accordance with Condition 4 will lapse and cease to be valid for any purpose.
- (C) 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 Expiry Date shall become void.

4. PROCEDURE FOR EXERCISE OF WARRANTS

(A) Lodgement Conditions

In order to exercise one (1) or more Warrants, a Warrantholder must fulfill the following conditions:

- (i) lodgement before 3.00 p.m. on any Business Day and before 5.00 p.m. on the Expiry Date during the Exercise Period, of the relevant Warrant Certificate registered in the name of the exercising Warrantholder for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent and which are in the form or substantially in the form prescribed by the Deed Poll, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided 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 the Depository;
- (ii) the furnishing of such evidence (if any, including evidence of nationality) 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 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 Conditions;
- (iii) the payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4(B) below;
- (iv) the payment of deposit or other fees for the time being chargeable by, and payable to, the Depository (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) the payment of the expenses for, and the submission of any necessary documents required in order to effect, the registration of the New Shares in the name of the exercising Warrantholder or the Depository, as the case may be,

APPENDIX I — TERMS AND CONDITIONS OF THE WARRANTS

and the delivery of the certificates for such New Shares and any property or other securities to be delivered upon the exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to the Depository, as the case may be.

Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on:

- (i) the number of Warrants so exercised being available in the “Free Balance” of the Securities Account of the exercising Warrantholder with the Depository and remaining so credited until the relevant Exercise Date; and
- (ii) the relevant Exercise Notice specifying that the New Shares arising on exercise of the Warrants are to be credited to the Securities Account of the exercising Warrantholder, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

An Exercise Notice which does not comply with this Condition 4 shall be void for all purposes. Warrantholders whose Warrants are registered in the name of the Depository irrevocably authorise the Company and the Warrant Agent to obtain from the Depository 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 the Depository (including steps set out in the Depository’s procedures for the exercise of warrants as set out on its website at <https://www1.cdp.sg.com/> 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 any Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the Depository Register or the records of and information supplied by or statements or certificates of the Depository.

Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any moneys tendered in or towards payment of the Exercise Price in accordance with Condition 4(B) below may not be withdrawn without the consent in writing of the Company.

(B) Payment of Exercise Price

Payment of the Exercise Price shall be made to the specified office of the Warrant Agent 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 for the full amount of the Exercise Price payable in respect of the Warrants exercised.

Each such payment shall be made free of any foreign exchange commissions, remittance charges or other deductions and any banker’s drafts or cashier’s orders shall be endorsed on the reverse side with (i) the number of Warrants exercised, (ii) the name of the exercising Warrantholder, and (iii) the certificate numbers of the relevant Warrant Certificates or, if the relevant Warrant Certificates are registered in

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the name of the Depository, the Securities Account(s) of the exercising Warrantholder which is to be debited with the Warrants being exercised and in each case compliance must also be made with any exchange control or other statutory requirements for the time being applicable.

If the payment advice 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 and neither the Warrant Agent nor the Company shall be liable to the Warrantholder in any manner whatsoever. 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(D) below) unless and until a further payment is made in accordance with the requirements set out above in this Condition 4(B) in an amount sufficient to cover the deficiency, provided that the Company will not be held responsible for any loss arising from any retention of such payment by the Warrant Agent.

(C) Exercise Date

A Warrant shall (provided the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date which shall be the Business Day (falling within the Exercise Period) on which all the conditions for and provisions relating to the exercise of the Warrant have been fulfilled or, if fulfilled on different dates, the last of such dates provided that if any Warrant is exercised on a date when the Register of Warrantholders is closed, the Exercise Date shall be the earlier of the next Business Day on which such Register of Warrantholders is open and the Expiry Date.

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

(D) Special Account

Payment of the Exercise Price received by the Warrant Agent for credit to the Special Account will be available for release to the Company on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Global Warrant Certificates in the name of the Depository, such certificates shall be deemed to have been reduced for all purposes by the number of Warrants so exercised. The original Global Warrant Certificate shall be cancelled and replaced with a new Global Warrant Certificate representing the Warrants that are held through the Depository which remain unexercised, as soon as possible after

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receipt by the Warrant Agent from the Depository of the original Global Warrant Certificate, accompanied by instructions from the Depository as to the cancellation of such original Global Warrant Certificate in lieu of the new Global Warrant Certificate.

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(A) above 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 lodgement conditions set out in Condition 4(A), 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 Expiry 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 received to any Warrant Certificate(s) (if applicable), and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificate(s) (if applicable) and the relevant Exercise Notice to the exercising Warrantheader at the risk and expense of such Warrantheader. The Company and the Warrant Agent will be entitled to deduct or otherwise recover from the exercising Warrantheader 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 Warrantheader but it may only be withdrawn within the abovementioned 14 day period with the consent in writing of the Company.

(E) Allotment of New Shares and Issue of Balancing Warrant Certificates

A Warrantheader exercising Warrants which are registered in the name of the Depository 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 Warrantheader as specified in the Exercise Notice within five (5) Market Days of the date on which the Warrant Agent confirms with the Depository that the Warrants which have been tendered for exercise are available for exercise in the relevant Securities Account of the exercising Warrantheader.

A Warrantheader exercising Warrants which are 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 with the Depository.

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The Company shall allot and issue the New Shares arising from the exercise of the relevant Warrants by a Warrantholder and deliver such New Shares in accordance with the instructions of such Warrantholder as set out in the Exercise Notice and:

- (i) where such Warrantholder has 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; or
- (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, the Company shall as soon as practicable but not later than five (5) Business Days after the relevant Exercise Date despatch the certificates relating to such New Shares in the name of, and to, the Depository for the credit of the Securities Account of such Warrantholder 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 the Depository, 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 Register).

Where a Warrantholder exercises part only (and not all) of the subscription rights represented by Warrants which are registered in the name of the Depository, the number of Warrants represented by the Global Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Warrants so exercised. Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants which are 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 and at the risk of that Warrantholder at the same time as it delivers in accordance with the relevant Exercise Notice the certificate(s) relating to the New Shares arising upon exercise of such Warrants.

(F) Register of Warrantholders

The Warrant Agent shall maintain a Register of Warrantholders containing particulars of the Warrantholders (other than Warrantholders who are Depositors), and, if the Depository holds any Warrants, particulars of the Depository and such other information as the Company may require. The Register of Warrantholders shall be closed during such periods as the register of transfers of the Company may be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants under Condition 5 or during such other period as the Company may determine. Not less than 14 days' notice of each closure of the Register of Warrantholders will be given to the Warrantholders in accordance with Condition 13.

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 Register of

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Warrantheolders (where the registered holder of a Warrant is a person other than the Depository) or the Depository Register (where the Depository is the registered holder of a Warrant) or any statement or certificate issued by the Depository to the Company or any Warrantheolder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warrantheolders, the number of Warrants to which any such Warrantheolders 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 claim on or loss or theft or forgery of any Warrant or Warrant Certificate).

(G) Warrant Agent and Share Registrar

The name of the initial Warrant Agent and the initial Share Registrar and their respective specified offices is set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent and the Share Registrar and to appoint an additional or another warrant agent and/or share registrar, provided that it shall at all times maintain a warrant agent and a share registrar 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 and/or the Share Registrar shall be given to the Warrantheolders in accordance with Condition 13.

Warrant Agent:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Share Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

5. ADJUSTMENTS OF EXERCISE PRICE AND NUMBER OF WARRANTS

(A) The Exercise Price and the number of Warrants held by each Warrantheolder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and/or the Auditors and certified to be in accordance with Condition 5(B) below by the Auditors. The Exercise Price and/or the number of Warrants held by each Warrantheolder shall from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

- (i) any consolidation or subdivision of Shares (including a subdivision by way of a bonus issue by the Company of Shares without capitalisation of profits or reserves); or

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- (ii) an issue by the Company of Shares credited as fully paid-up by way of capitalisation of profits or reserves (whether of a capital or income nature and other than an issue of Shares to its Members who had an option to take cash or other dividend in lieu of the relevant Shares); or
 - (iii) a Capital Distribution (as defined below) made by the Company to its Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
 - (iv) an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights; or
 - (v) an issue (otherwise than pursuant to a rights issue available to all Members, requiring an adjustment under Condition 5(A)(iv) above and other than an issue of Shares to Members who had an option to take cash or other dividend in lieu of the relevant Shares) by the Company of Shares, if the Total Effective Consideration (as defined below) for each Share is less than 90% of the Current Market Price (as defined below) for each Share (calculated as provided below).
- (B) 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(A)(i) to (v) above or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank and/or Auditors shall determine):

(i) Consolidation or Subdivision of Shares

If, and whenever, consolidation or subdivision (including a subdivision by way of a bonus issue by the Company of Shares without capitalisation of profits or reserves) of the Shares occurs, the Exercise Price shall be adjusted in the following manner:

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

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

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

where:

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

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

X = the existing Exercise Price; and

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W = the existing number of Warrants held.

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

(ii) Capitalisation Issues

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

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

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

where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to Members credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature and other than an issue of Shares to Members who had an option to take cash or other dividend in lieu of the relevant Shares);

X = as in X above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the 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 Members must be registered as such to participate therein.

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(iii) Capital Distribution or Rights Issues

If and whenever the Company shall make:

- (a) a Capital Distribution (as defined below) to its Members whether on a reduction of capital or otherwise; or
- (b) any offer or invitation to Members by way of rights whereunder they may acquire or subscribe for Shares;

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

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

and, in the case of Condition 5(B)(iii)(b), the number of Warrants held by each Warrantholders shall be adjusted in the following manner:

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

where:

- C = the Current Market Price on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, any offer or invitation, is publicly announced to the SGX-ST or (failing any such announcement), immediately preceding the date of the Capital Distribution, any offer or invitation;
- D = (1) in the case of a transaction falling within Condition 5(B)(iii)(a), the fair market value, as determined by an Approved Bank and/or the Auditors, of that portion of the Capital Distribution attributable to one (1) Share; and (2) in the case of a transaction falling within Condition 5(B)(iii)(b), the value of rights attributable to one (1) Share (as defined below);
- X = as in X above; and
- W = as in W above.

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For the purpose of sub-paragraph (2) of D above, the “**value of the rights attributable to one (1) Share**” shall be calculated in accordance with the following formula:

$$\frac{C - E}{F + 1}$$

where:

C = as in C above;

E = the subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for Shares under the terms of such offer or invitation; and

F = the number of Share(s) which is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) Share.

For the purposes of Conditions 5(A)(iii) and 5(B)(iii), “**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(B)(ii) above) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (but excluding any issue of Shares made where the Members had an option to take cash or other dividend in lieu of the relevant Shares). 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.

For the purpose of this Condition 5, the “**Current Market Price**” in relation to each Share for any relevant Market Day shall be the average of the last dealt prices (rounded down to the nearest S\$0.01 per Share) of Shares quoted on Catalist for the five (5) consecutive Market Days (on each of which trading of the Shares on Catalist has been transacted) immediately preceding that Market Day.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such Capital Distribution or such offer or invitation, as the case may be.

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(iv) Concurrent Capitalisation Issue and Rights Issue

If and whenever the Company makes any allotment to its Members as provided in Condition 5(B)(ii) above and also makes any offer or invitation to its Members as provided in Condition 5(B)(iii)(b) 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/or the number of Warrants shall be adjusted in the following manner:

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

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

where:

B = as in B above;

C = as in C above;

E = as in E above;

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

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;

W = as in W above; and

X = as in X above.

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

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares are to be made under the terms of such offer or invitation.

(v) Issues at Discount other than by way of Rights Issue

If and whenever (otherwise than pursuant to a rights issue available to all Members alike and requiring an adjustment under Conditions 5(B)(iii)(b) or 5(B)(iv) above and other than an issue of Shares to Members who had an option to take cash or other dividend in lieu of the relevant Shares) the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than 90% of the Current Market Price for each Share on the SGX-ST on the date on which the issue price of such Shares is determined

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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 day immediately preceding the date on which the relevant adjustment becomes effective;

L = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such Current Market Price (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(A)(v) and 5(B)(v), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and/or the Auditors 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.

- (C) Notwithstanding any of the provisions contained in Conditions 5(A) and 5(B), no adjustment to the Exercise Price and the number of Warrants will be required in respect of:
- (i) an issue by the Company of Shares to officers, including directors or employees, of the Company or any of its subsidiaries, related corporations and/or associated companies pursuant to any scheme approved by the Members in any general meeting; or
 - (ii) an issue by the Company of Shares or other securities convertible into or right to acquire or subscribe for Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or

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(iii) any issue by the Company of Shares pursuant to the exercise of any of the Warrants; or

(iv) 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; or

subject to Condition 5(J) below, any purchase by the Company of Shares.

- (D) Any adjustment to the Exercise Price will be rounded upwards to the nearest one (1) cent and in no event shall any adjustment involve an increase in the Exercise Price (other than upon the consolidation of Shares). No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5(B) 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 adjusted would be less than one (1) cent but any such adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- (E) 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 shall be made unless (i) it has been certified to be in accordance with Condition 5(B) above by the Auditors and (ii) 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 Shares as may be issued on the exercise of any of such Warrants.
- (F) Notwithstanding the provisions referred to in this Condition 5, in any circumstance where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants 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 should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Bank and/or the Auditors 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 and/or the Auditors shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified, or if such Approved Bank and/or the Auditors shall consider an adjustment to be appropriate, an adjustment shall be made instead of no adjustment in such manner as shall be considered by such Approved Bank and/or the Auditors to be in its opinion appropriate. Any adjustment made pursuant to this Condition 5 (unless otherwise provided under the rules of the SGX-ST from time to time) shall be announced as soon as practicable by the Company.
- (G) Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 13 below that the Exercise Price and/or the number of Warrants 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 adjusted 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 its registered office a signed copy of the certificate of the Auditors certifying the

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adjustment to the Exercise Price and/or the number of Warrants and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants, the Company will, as soon as practicable but not later than five (5) 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 Register of Warrantholders or, in respect of Warrants registered in the name of the Depository, to the Depository.

- (H) If the Directors, the Approved Bank and/or 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 and/or auditor acting as expert and not as 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.
- (I) 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 and/or Auditors to consider whether any adjustment is appropriate and if such Approved Bank and/or Auditors and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- (J) If the Company shall purchase or otherwise acquire Shares issued by it pursuant to the provisions of the Companies Act, the Company shall, if so required by the Warrantholders by way of a Special 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.
- (K) 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.
- (L) In giving any certificate or making any adjustment hereunder, the Approved Bank and/or Auditors 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 all persons having an interest in the Warrants.
- (M) 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 (if required) and agreed to by the Company, the Approved Bank and/or the Auditors.

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- (N) Any adjustments made pursuant to this Condition 5 shall (unless otherwise provided under the Catalist Rules) be announced by the Company on SGXNET.
- (O) 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 the Deed Poll, 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 execution 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 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.

6. STATUS OF ALLOTTED SHARES

Shares when allotted and issued upon the exercise of the Warrants shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments and other distributions the Record Date for which is before the relevant Exercise Date of the Warrants. For the purpose of this Condition 6, "**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 or the Securities Accounts of Shareholders must be credited with Shares in order to participate in such dividends, rights, allotments or other distributions.

7. WINDING-UP OF THE COMPANY

If a resolution is passed for a members' voluntary winding-up of the Company, then:

- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholders, or some person designated by them for such purpose by Special Resolution, shall be a party, the terms of such scheme of arrangement shall be binding on all the Warrantholders and all persons having an interest in the Warrants; and
- (ii) 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 Warrantholder shall be entitled, no later than two (2) Business Days prior to the proposed general meeting, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with all relevant payments payable, to elect to be treated as if he had exercised the Warrants to the extent of the number of Warrants exercised and had on such date been the holder of the New Shares. The New Shares will be allotted to such Warrantholder as soon as possible and in any event no later than the day immediately prior to the date of the proposed general meeting.

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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.

8. FURTHER ISSUES

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

9. TRANSFER OF WARRANTS

(A) In order to transfer Warrants, the Warrantheolder must fulfil the following conditions:

- (i) lodgement during normal business hours on any Market Day at the specified office of the Warrant Agent of the relevant Warrant Certificate(s) registered in the name of the Warrantheolder 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 Warrantheolder 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 the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;
- (ii) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warrantheolder;
- (iii) the payment of the registration fee of S\$2.00 to the Warrant Agent (acting on behalf of the Company), excluding any goods and services tax (or such other amount as may be determined by the Directors, which amount shall not exceed the maximum sum for the time being prescribed by any applicable law or requirement of the SGX-ST) for every Warrant Certificate issued together with any stamp duty (if any) specified by the Warrant Agent to the Warrantheolder;
- (iv) the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee; and
- (v) the Warrants may only be transferred in lots of 100 Warrants or more.

(B) The Warrantheolder specified in the Register of Warrantheolders shall remain the registered holder of the Warrants until the name of the transferee is entered in the Register of Warrantheolders maintained by the Warrant Agent.

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- (C) 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) and/or error(s) and requesting the transferring Warrantholder to complete and/or amend the Transfer Form and/or to make the requisite payment.
- (D) If the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:
- (i) register the person's name in the Transfer Form as transferee in the Register of Warrantholders as the registered holder of the Warrant in place of the transferring Warrantholder;
 - (ii) cancel the Warrant Certificate(s) in the name of the transferring Warrantholder; and
 - (iii) issue new Warrant Certificate(s) in respect of the Warrants in the name of the transferee.
- (E) The executors or administrators (or trustees) of the estate of a deceased registered Warrantholder (not being one of several joint holders) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only person(s) recognised by the Company as having any title to the Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by 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 9(A)(iii) and 9(A)(iv) above be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made.
- (F) Where the Warrants are registered in the name of the Depository and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book-entry.
- (G) A transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or the Depository Register by the Depository, as the case may be.

10. REPLACEMENT OF WARRANT CERTIFICATES

Should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced at the specified office of the Warrant Agent, upon payment by the claimant of the expenses incurred in connection therewith and the replacement fee of S\$2.00 excluding any goods and services tax (or such other sum being the replacement fee for the time being, which replacement fee shall not exceed the maximum sum for the time being prescribed by any applicable law or requirement of the SGX-ST) for every Warrant Certificate issued and on such terms as to evidence and 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) as the Company

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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(s) will be issued in the name of the registered holder of the Warrant Certificate(s) being replaced.

11. WARRANT AGENT NOT ACTING FOR THE WARRANTHOLDERS

In acting under the Warrant Agency Agreement, the Warrant Agent is, subject to the terms and conditions therein, acting solely as agent of the Company and shall not assume any obligations towards, or relationship of agency or trust for, any of the Warrantholders.

12. MEETINGS OF WARRANTHOLDERS AND MODIFICATION

- (A) The Deed Poll contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Special 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 10% of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing a Special Resolution shall be two (2) or more persons holding or representing over 50% of the Warrants for the time being unexercised, or at any adjourned meeting two (2) or more persons being or representing Warrantholders whatever the number of Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll affecting the rights of the Warrantholders (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Period), the necessary quorum for passing a Special Resolution shall be two (2) or more persons holding or representing not less than 75%, or at any adjournment of such meeting, over 50%, of the Warrants for the time being remaining unexercised. A Special 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 lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantholders.
- (B) The Company may, without the consent of the Warrantholders but in accordance with the Deed Poll and subject to the approval of the SGX-ST, effect any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Company:
- (i) is not materially prejudicial to the interests of the Warrantholders; or
 - (ii) is of a formal, technical or minor nature; or
 - (iii) is to correct a manifest error or to comply with mandatory provisions of Singapore law; or

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- (iv) 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 Warranholders 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 Catalist.

Any such modification shall be binding on the Warranholders and shall be notified to them in accordance with Condition 13 as soon as practicable thereafter. Unless made pursuant to sub-paragraphs (i) to (iv) above, any alteration to the terms of the Warrants to the advantage of the Warranholders is subject to the approval of the Members and the SGX-ST.

Notwithstanding any other provisions as set out in the Deed Poll, any material alteration to the Conditions after the issue thereof to the advantage of the Warranholders and prejudicial to the Shareholders must be approved by the Shareholders in general meeting, except where the alterations are made pursuant to the Conditions.

The Company shall not:

- (a) extend the Exercise Period; or
- (b) issue a new warrant to replace an existing Warrant; or
- (c) change the Exercise Price 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
- (d) change the exercise ratio of an existing Warrant.

13. NOTICES

- (A) All notices to Warranholders shall be valid if published in any leading daily English language newspaper for general circulation in Singapore. If at any time, publication in such newspaper is not practicable, notices shall 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.
- (B) All notices required to be given pursuant to these Conditions shall also be announced by the Company on the internet website of the SGX-ST on the same day as such notice is first published in any leading English language newspaper in circulation in Singapore.

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14. NOTICE OF EXERCISE PRICE AND THE NOTICE OF EXPIRY DATE

- (A) The Company shall, at least one (1) month before the Expiry Date, give, or cause the Warrant Agent to give, notice of the Expiry Date to each of the Warrantheolders in accordance with Condition 13.
- (B) Additionally, the Company shall take, or cause the Warrant Agent to take, reasonable steps to notify the Warrantheolders in writing of the above and such notice shall be delivered by ordinary, non-registered post to the addresses of the Warrantheolders as recorded in the Register of Warrantheolders or in the case of Warrantheolders whose Warrants are registered in the name of the Depository, their addresses as shown in the records of the Depository. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.

15. GOVERNING LAW AND JURISDICTION

- (A) The Warrants and the Deed Poll are governed by, and shall be construed in accordance with, the laws of Singapore.
- (B) 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 the Deed Poll and accordingly any legal action or proceedings arising out of or in connection with the Warrants and the Deed Poll (the “**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to the 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 Warrantheolders is drawn to Rule 14 of the Singapore Code on Take-Overs and Mergers and Sections 139 and 140 of the SFA, as amended from time to time. In particular, a Warrantheolder should note that he may be under an obligation to extend a take-over offer for the Company if:
 - (a) he intends to acquire, by the exercise of the Warrants, whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry 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 30% but not more than 50% of the voting rights of the Company, and either alone or together with persons acting in concert with him, intends to acquire additional Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one percent (1%).
- (2) The attention of Warrantheolders is drawn to Conditions 3(B) and 3(C) relating to restrictions on the exercise of the Warrants.
- (3) A Warrantheolder who holds not less than five percent (5%) of the aggregate of the nominal amount of the issued share capital of the Company (assuming all the Warrants he holds are fully exercised), is under an obligation to notify the Company of his interest in the manner set out in Sections 82, 83 and 84 of the Companies Act and Sections 135, 136 and 137 of the SFA.

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the WEWAF which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2 The provisional allotments of Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the WEWAF.

The number of Warrants provisionally allotted to each Entitled Depositor is indicated in the WEWAF (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Warrants as indicated in the WEWAF. Entitled Depositors may accept their provisional allotments of Warrants in full or in part and are eligible to apply for Warrants in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Warrants and payment for excess Warrants are set out in the Offer Information Statement as well as the WEWAF.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Warrants specified in the WEWAF, in full or in part, and (if applicable) apply for excess Warrants, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the WEWAF. An Entitled Depositor should ensure that the WEWAF is accurately completed and signed, failing which the acceptance of the provisional allotment of Warrants and (if applicable) application for excess Warrants may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if this WEWAF is not accurately completed and signed or if the "Free Balance" of your Securities Account is not credited with, or is credited with less than the relevant number of Warrants accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the WEWAF or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF WARRANTS SPECIFIED IN HIS WEWAF AND (IF APPLICABLE) APPLY FOR EXCESS WARRANTS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the PAL, the WEWAF, the WAF and/or any other application form for the Warrants and/or excess Warrants in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the PAL, the WEWAF, the WAF and/or any other application form for the Warrants and/or excess Warrants in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Warrants, and where applicable, application for excess Warrants in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Warrants.

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the WEWAF and/or the WAF with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the WEWAF or the WAF has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Warrants provisionally allotted or (if applicable) to apply for excess Warrants will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix IV of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE WEWAF AND/OR THE WAF AND/OR HAS APPLIED FOR EXCESS WARRANTS BY WAY OF THE WEWAF AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Warrants and (if applicable) apply for excess Warrants through CDP, he must:

- (a) complete and sign the WEWAF. In particular, he must state in Part C(i) of the WEWAF the total number of Warrants provisionally allotted to him which he wishes to accept and the number of excess Warrants applied for and in Part C(ii) of the WEWAF the 6 digits of the cashier's order/banker's draft; and
- (b) deliver the duly completed and original signed WEWAF accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Warrants accepted and (if applicable) excess Warrants applied for:
 - (i) by hand to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Warrants accepted and (if applicable) excess Warrants applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — STARBURST RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the cashier's order or banker's draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Warrants and (if applicable) apply for Excess Warrants through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the WEWAF and the Offer Information Statement as if the WEWAF had been completed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Warrants accepted by the Entitled Depositor and (if applicable) the excess Warrants applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix II which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the WEWAF, the WAF or any other application form for Warrants in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Warrants and Trading of Provisional Allotments of Warrants

An Entitled Depositor may choose to accept his provisional allotment of Warrants specified in the WEWAF in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Warrants and trade the balance of his provisional allotment of Warrants on the SGX-ST, he should:

- (a) complete and sign the WEWAF for the number of Warrants provisionally allotted which he wishes to accept and submit the duly completed and original signed WEWAF together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Warrants by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Warrants may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Warrants will be tradeable in board lots, each board lot comprising provisional allotments of 100 Warrants, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Warrants as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

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2.6 Sale of Provisional Allotments of Warrants

The WEWAF need not be forwarded to the purchasers of the provisional allotments of Warrants (“**Purchasers**”) as arrangements will be made by CDP for separate WAFs to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the WAF, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their WAF are accurately completed and signed, failing which their acceptances of the provisional allotments of Warrants may be rejected. Purchasers who do not receive the WAF, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Warrants. You may obtain a copy from CDP. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF WARRANTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE WARRANTS REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF WARRANTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF WARRANTS ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Warrants

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Warrants in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Warrants which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the WAF and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Warrants. The last time and date for acceptance of the provisional allotments of Warrants and payment for the Warrants by the renounee is **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Warrants by way of the WEWAF and/or the WAF and/or has applied for excess Warrants by way of the WEWAF and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the WEWAF, the WAF and (if applicable) any other acceptance of Warrants provisionally allotted to him and/or application for excess Warrants (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES

As an illustration, if an Entitled Depositor has 100,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 25,000 Warrants as set out in his WEWAF. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

- (a) Accept his entire provisional allotment of 25,000 Warrants and (if applicable) apply for excess Warrants.

Procedures to be taken

- (1) Accept his entire provisional allotment of 25,000 Warrants and (if applicable) apply for excess Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- (2) Complete and sign the WEWAF in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 25,000 Warrants and (if applicable) the number of excess Warrants applied for and forward the original signed WEWAF together with a single remittance for S\$250.00 (or, if applicable, such higher amount in respect of the total number of Warrants accepted and excess Warrants applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — STARBURST RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

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- (b) Accept a portion of his provisional allotment of Warrants, for example 20,000 provisionally allotted Warrants, not apply for excess Warrants and trade the balance on the SGX-ST.
- (1) Accept his provisional allotment of 20,000 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the WEWAF in accordance with the instructions contained therein for the acceptance of his provisional allotment of 20,000 Warrants, and forward the original signed WEWAF, together with a single remittance for S\$200.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 5,000 Warrants which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Warrants would be tradeable in the ready market, each board lot comprising provisional allotments size of 100 Warrants or any other board lot size which the SGX-ST may require.

- (c) Accept a portion of his provisional allotment of Warrants, for example 20,000 provisionally allotted Warrants, and reject the balance.
- (1) Accept his provisional allotment of 20,000 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- (2) Complete and sign the WEWAF in accordance with the instructions contained herein for the acceptance of his provisional allotment of 20,000 Warrants and forward the original signed WEWAF, together with a single remittance for S\$200.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 5,000 Warrants which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE WARRANTS IN RELATION TO THE RIGHTS ISSUE IS:

- (A) **9.30 P.M. ON 8 JUNE 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE WARRANTS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK.**
- (B) **5.00 P.M. ON 8 JUNE 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE WARRANTS IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Warrants in the prescribed manner as set out in the PAL, WEWAF or WAF (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Warrants shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix II, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Warrants and/or applying for excess Warrants, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Warrants as per the instructions received by CDP whether under the WEWAF, the WAF and/or in any other application form for Warrants in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the WEWAF, the WAF and/or any other application form for Warrants in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Warrants provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Warrants. The determination and appropriation by the Company and CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the WEWAF, the WAF and/or any other application form for Warrants in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Warrants and (if applicable) his application for excess Warrants, to apply the amount of the remittance which is attached to the WEWAF, the WAF and/or any other application form for Warrants in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Warrants provisionally allotted to him by way of the WEWAF and/or the WAF and/or has applied for excess Warrants by way of the WEWAF and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the

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Company and/or CDP to apply all amounts received whether under the WEWAF, the WAF and/or any other acceptance and/or application for excess Warrants (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Warrants

The excess Warrants available for application are subject to the terms and conditions contained in the WEWAF, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Warrants will, at the Directors' absolute discretion, be satisfied from such Warrants as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Warrants together with the aggregated fractional entitlements to the Warrants, any unsold "nil-paid" provisional allotment of Warrants (if any) of Foreign Shareholders and any Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the WEWAF and this Offer Information Statement. In the event that applications are received by the Company for more excess Warrants than are available, the excess Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of excess Warrants, preference will be given to the rounding of odd lots, and Substantial Shareholders and Directors will rank last in priority. The Company reserves the right to refuse any application for excess Warrants, in whole or in part, without assigning any reason whatsoever. In the event that the number of excess Warrants allotted to an Entitled Depositor is less than the number of excess Warrants applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Warrants actually allotted to him.

If no excess Warrants are allotted or if the number of excess Warrants allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Warrants by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for excess Warrants through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Warrants is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

payable for such Warrants is effected by **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (b) the duly completed and original signed WEWAF or WAF accompanied by a single remittance for the full amount payable for the relevant number of Warrants accepted and (if applicable) excess Warrants applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — STARBURST RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01—19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **STARBURST HOLDINGS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Warrants is effected by **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotment of Warrants will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITORS' OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Warrants and excess Warrants will be registered in the name of CDP or its nominee. Upon the crediting of the Warrants and excess Warrants, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Warrants and excess Warrants credited to your Securities Account.

APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Warrants provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the WEWAF and/or the WAF is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the WEWAF and/or the WAF, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the WEWAF and/or the WAF on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF WARRANTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS WARRANTS IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotment of Warrants and (if applicable) your application for excess Warrants through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511
2. Press '1' for English; Press '2' for Mandarin
3. Press '3' for 'Corporate Actions Announcement and Transactions'
4. Press '2' for your rights application status
5. Enter your 12 digit CDP securities account number
6. Enter your 6 digit telephone pin

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

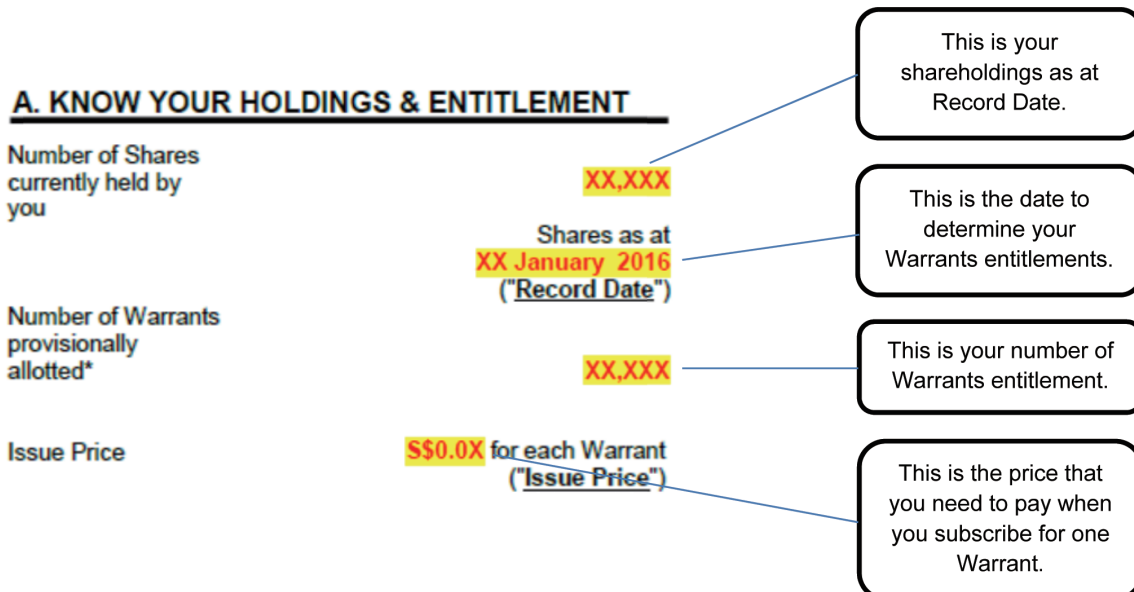
APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6. PERSONAL DATA PRIVACY

By completing and delivering a WEWAF or a WAF and in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, the Warrant Agent, Securities Clearing and Computer Services (Pte) Ltd, the SGX-ST, the Company and the Issue Manager (the “**Relevant Persons**”) for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

7. PROCEDURE TO COMPLETE THE WEWAF/WAF

7.1 Know your holdings and entitlement



APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

7.2 Select your application options

B. SELECT YOUR APPLICATION OPTIONS

- 1. ATM** Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by **9.30 p.m. on XX September 2016**
- 2. Mail** Participating Banks are XXX, XXX and XXX.
Complete section below and submit this form to CDP by **5.00 p.m. on XX September 2016**
- (i) Only **BANKER'S DRAFT/CASHIER'S ORDER** payable to **"CDP – XXXXX RIGHTS ISSUE ACCOUNT"** will be accepted
- (ii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER** or **MONEY ORDER** will be rejected
- (iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date and time to subscribe for the Warrants through ATM and CDP.

You can apply for Warrants through ATMs of these participating banks.

This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the issuer.

Note:

- (1) Please refer to the WEWAF/WAF for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

7.3 Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Warrants Applied:
(Provisionally Allotted + Excess Warrants)

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ii. Cashier's Order/Banker's Draft Details:**
Input 6 digits of CO/BD)

--	--	--	--	--	--

Signature of Entitled Depositor(s)

Date

Fill in the total number of the Warrants and excess Warrants that you wish to subscribe for within the boxes.

Fill in the 6 digits of the CO / BD number (e.g. 001764) within the boxes.

Sign within the box.

Notes:

- (1) If the total number of Warrants applied exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (2) The total number of Warrants applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Warrants will be appropriated accordingly if the applied quantity exceeds this amount.
- (3) Please note to submit one Cashier's Order per application form.

**APPENDIX II — PROCEDURES FOR ACCEPTANCE, PAYMENT AND
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7.4 Sample of a Cashier's Order

CASHIER'S ORDER

DATE

DD / MM / YY

PAY CDP - [REDACTED] RIGHTS ISSUE ACCOUNT

OR ORDER

S\$ 7,600.00

SINGAPORE DOLLARS ****SEVEN THOUSAND SIX HUNDRED ONLY****

BANK REF. : 0105085000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

⑆⑆⑆ 00 1 764 ⑆⑆ 7 1 7 ⑆⑆ ⑆05⑆ ⑆050999997⑆⑆

APPENDIX III — PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

- 1.1 Acceptances of the provisional allotment of and any excess application for the Warrants must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.
- 1.2 Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and are deemed to constitute a part of this Offer Information Statement:

Renounceable PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Warrants Application Form	Form E

- 1.3 The provisional allotment of the Warrants and application for excess Warrants are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Warrants provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded) and contains full instructions with regard to acceptance and payment and the procedures to be followed should such Entitled Scripholders wish to renounce, transfer or split all or any part of their provisional allotment pursuant to the Rights Issue. Entitled Scripholders may accept their provisional allotment of Warrants, in full or in part, and are eligible to apply for Warrants in excess of their entitlements under the Rights Issue.
- 1.4 Where any acceptance and/or application does not conform strictly to the instructions set out under this Offer Information Statement, the PAL and/or any other application form for the Warrants and/or excess Warrants in relation to the Rights Issue, or is illegible, incomplete, incorrectly completed, unsigned or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such application, payment or other processes of remittances at any time after receipt in such manner as it may deem fit.
- 1.5 The Company and the Warrant Agent shall be entitled to process each application submitted for the acceptance of Warrants, and where applicable, application of excess Warrants in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance and (if applicable) application for excess Warrants.
- 1.6 Full amount payable for the relevant number of Warrants accepted or applied for will be rounded up to the nearest cent, if applicable.
- 1.7 **Entitled Scripholders who intend to trade any part of their provisional allotment of Warrants on the SGX-ST should note that all dealings in and transactions of the**

APPENDIX III — PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

provisional allotment of Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

- 1.8 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL with respect to enforcement against Entitled Scripholders or their renounees, a person who is not a party to any contract made pursuant to this Offer Information Statement and/or the PAL has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

Entitled Scripholders who wish to accept their entire provisional allotment of Warrants or to accept any part of it and decline the balance should complete and sign Form A of the PAL for the number of Warrants which they wish to accept and forward the PAL at their own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, in the self-addressed envelope provided so as to reach the Share Registrar not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient payment

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Warrants accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Warrants accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix III entitled "Appropriation" which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Warrants which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Warrants, he acknowledges that, the Company and the Warrant Agent, in determining the number of Warrants which the Entitled Scripholder has given instructions to accept, shall

APPENDIX III — PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Warrants, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of his provisional allotment of Warrants.

3. REQUEST FOR SPLITTING (FORM B) AND RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept part of their provisional allotment of Warrants and renounce the balance, or who wish to renounce all or part of their provisional allotment of Warrants in favour of more than one person, should first, using Form B of the PAL (Request for Splitting), request to have their provisional allotment of Warrants under the PAL split into separate PALs (the "**Split Letters**") according to their requirements. The duly completed and signed Form B in accordance with these instructions together with the PAL in its entirety should then be returned to reach **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 P.M. ON 2 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (together with the whole of the PAL) is received after **5.00 P.M. ON 2 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Warrants which Entitled Scripholders intend to renounce may be renounced by the Entitled Scripholder by completing and signing Form C (Form for Renunciation) before delivery to the renounee(s). Entitled Scripholders should complete and sign Form A of the Split Letter(s) representing that part of their provisional allotment of Warrants they intend to accept, if any, and forward the said Split Letter(s) together with the remittance for the payment in the manner hereinafter prescribed to **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotment of Warrants in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign Form C for the number of Warrants which they wish to renounce and deliver the PAL in its entirety to the renounee as soon as possible.
- 3.4 The renounee should complete and sign Form D (Form of Nomination) and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 P.M. ON 8 JUNE 2016** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.5 Each Entitled Scripholder may consolidate the Warrants provisionally allotted in the PAL together with those comprised in any PAL and/or Split Letter renounced in his favour by completing and signing Form A and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly

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completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotment of Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter (the “**Principal PAL**”) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

4. PAYMENT

- 4.1 Payment in relation to the PALs for the full amount due on acceptance and/or application must be made in Singapore currency in the form of a Cashier’s Order or Banker’s Draft drawn on a bank in Singapore and made payable to “**STARBURST RIGHTS ISSUE ACCOUNT**”, such Cashier’s Order or Banker’s Draft to be crossed “**NOT NEGOTIABLE, A/C PAYEE ONLY**” with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed PAL and remittance should be addressed and forwarded, at the sender’s own risk, to **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 4.2 If acceptance and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 8 June 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotment of Warrants shall be deemed to have been declined and shall forthwith lapse and cease to be capable of acceptance by the Entitled Scripholder. Such provisional allotment of Warrants not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith by **ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or any share of revenue or benefit arising therefrom, within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants.

5. APPLICATIONS FOR EXCESS WARRANTS

- 5.1 Entitled Scripholders who wish to apply for excess Warrants in addition to those which have been provisionally allotted to them may do so by completing and signing Form E (Excess Warrants Application Form) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Warrants applied for in the form and manner set out in paragraph 4 above, at their own risk, to **STARBURST HOLDINGS LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. at 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER,**

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SINGAPORE 048623 so as to arrive not later than **5.00 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

- 5.2 Applications for excess Warrants by the Entitled Scripholders are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Warrants will, at the Directors' absolute discretion, be satisfied from such Warrants as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotment of Warrants, together with the aggregated fractional entitlements to the Warrants, the unsold "nil-paid" provisional allotment of Warrants (if any) of Foreign Shareholders and any Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more excess Warrants than are available, the excess Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Warrants, preference will be given to the rounding of odd lots and 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 representation (whether directly or through a nominee) on the Board will rank last in priority for the rounding of odd lots and the allotment of excess Warrants. The Company reserves the right to allot the excess Warrants applied for under Form E in any manner they deem fit and to reject or to refuse, in whole or in part, any application for excess Warrants without assigning any reason whatsoever.
- 5.3 If no excess Warrants are allotted to Entitled Scripholders or if the number of excess Warrants allotted to them is less than that applied for, the amount paid on application for excess Warrants or the surplus application monies for excess Warrants received by the Company, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants **BY ORDINARY POST** at their own risk.

6. GENERAL

- 6.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.
- 6.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 6.3 Upon listing and quotation on Catalist, the Warrants, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Warrants effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

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- 6.4 To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Warrants provisionally allotted to them and (if applicable) apply for excess Warrants, and who wish to trade the Warrants issued to them on Catalist 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 and, if applicable, the excess Warrants that may be allotted and issued to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept the Warrants provisionally allotted to them and (if applicable) apply for the excess Warrants and have their Warrants credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration number (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration number (for corporations) or who provide incorrect or invalid Securities Account numbers and/or (for individuals) or registration number (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical certificate(s) in their own names for the Warrants allotted to them and if applicable, the excess Warrants allotted to them. Such physical warrant certificates, if issued, will be forwarded to them by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on Catalist under the book-entry (scripless) settlement system, although they will continue to be, on the face of it, evidence of legal title.
- 6.5 If an Entitled Scripholder's address stated in the PAL is different from his address maintained with CDP, he must inform CDP of his updated address promptly, failing which the notification letter, on successful allotments will be sent to his addresses last registered with CDP.
- 6.6 A holder of physical share or warrant certificate(s), or an Entitled Scripholder who has not deposited his share or warrant certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his respective certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Shares or Warrants, as the case may be, before he can effect the desired trade.
- 6.7 Shareholders should note that most counters on the SGX-ST currently trade in lot sizes of 100 shares and/or warrants. Following the Rights Issue, Warranholders who hold odd lots of the Warrants and/or the New Shares (i.e. lots other than board lots of 100 Warrants or shares) and who wish to trade in odd lots of Warrants and/or shares should note that they can trade on the unit share market of the SGX-ST, which allows the trading of odd lots.
- 6.8 **THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR EXCESS APPLICATIONS AND PAYMENT FOR THE WARRANTS UNDER THE RIGHTS ISSUE IS 5.00 P.M. ON 8 JUNE 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

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7. PERSONAL DATA PRIVACY

- 7.1 By completing and delivering the PAL, an Entitled Depositor or Purchaser (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix II to this Offer Information Statement) for the Purposes (as defined in Appendix II to this Offer Information Statement), (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

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The procedures for Electronic Applications at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (the “**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept provisional allotment of, and (if applicable) apply for excess Warrants at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renounee or the Purchaser who accepts the provisional allotment of Warrants or (as the case may be) who applies for the Warrants through an ATM of the Participating Banks. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any WEWAF or WAF.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM Card issued to him in his own name. Using his own Securities Account number with an ATM Card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

An Applicant may accept his provisional allotment of Warrants and if applicable, may apply for excess Warrants by way of separate Electronic Applications.

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application for the Warrants, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and (as the case may be) application for the Warrants under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, the Warrant Agent, Securities Clearing & Computer Services (Pte) Ltd, CDP, the SGX-ST and the Company (the “Relevant Parties”).**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key,

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as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the 2 statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) of, and the Third Schedule to, the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Warrants using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Warrants using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be, on the ATM) of the number of Warrants accepted and/or excess Warrants applied for shall signify and shall be treated as his acceptance of the number of Warrants accepted and/or excess Warrants applied for that may be allotted to him.
- (5) In the event that the Applicant accepts the Warrants both by way of WEWAF and/or WAF (as the case may be), and/or by way of acceptance through CDP and/or by way of Electronic Application through an ATM of a Participating Bank, CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their absolute discretion, deem fit. In determining the number of Warrants which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Warrants which are standing to the credit of his Securities Account as at the Closing Date, and the aggregate number of Warrants which have been accepted by the Applicant by way of WEWAF and/or WAF (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Warrants which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Warrants, whether by way of Banker’s Draft or Cashier’s Order drawn on a bank in Singapore accompanying the WEWAF and/or WAF or by way of the acceptance through Electronic Application through an ATM of a Participating Bank.
- (6) If applicable, in the event that the Applicant applies for excess Warrants both by way of WEWAF and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their absolute discretion, deem fit. In determining the number of excess Warrants which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Warrants not exceeding the aggregate number of excess Warrants for which he has applied by way of WEWAF and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of excess Warrants which the Applicant has given valid instructions for the application, shall be

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authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Warrants, whether by way of Banker's Draft or Cashier's Order drawn on a bank in Singapore accompanying the WEWAF, or by way of Electronic Application through an ATM of a Participating Bank.

- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register or to procure the registration of the Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Warrants accepted and/or excess Warrants applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE WARRANTS AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company and/or the Receiving Bank) and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, and the Receiving Bank and if, in any such event, CDP and/or the Participating Banks and/or the Company and/or the Receiving Bank do not record or receive the Applicant's Electronic Application by **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, and the Receiving Bank for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m. (excluding public holidays).**

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- (11) Electronic Applications shall close at **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 P.M. ON 8 JUNE 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document referred to in Section 241 of the SFA is lodged with the SGX-ST acting as agent on behalf of the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the Participating Banks nor the Receiving Bank shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Warrants and (if applicable) his application for excess Warrants;

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- (e) in respect of the Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Warrants or (if applicable) applies for excess Warrants, as the case may be, by way of WEWAF or WAF or by way of Electronic Application through any ATM of the Participating Banks, the Warrants and/or excess Warrants will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) Business Days after the commencement of trading of the provisional allotments of Warrants by any one or a combination of the following:
- (a) by means of a crossed cheque and sent BY ORDINARY POST at his own risk to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and/or
 - (b) crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank.

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- (19) The Applicant hereby acknowledges that, in determining the total number of Warrants represented by the provisional allotment of Warrants which he can validly accept, the Company and CDP are entitled, and the Applicant hereby authorises the Company and CDP to take into consideration:
- (a) the total number of Warrants represented by the provisional allotment of Warrants which the Applicant has validly accepted, whether under the WEWAF and/or the WAF or any other form of application (including Electronic Application through an ATM of a Participating Bank) for the Warrants;
 - (b) the total number of Warrants represented by the provisional allotment of Warrants standing to the credit of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Warrants represented by the provisional allotment of Warrants which has been disposed of by the Applicant.

The Applicant hereby acknowledges that CDP's or the Company's determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Warrants accepted by the Applicant and (if applicable) the excess Warrants which the Applicant has applied for.
- (21) With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the WEWAF, the WAF and/or any other application form for the Warrants in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the PAL, the WEWAF, the WAF and/or any other application form for the Warrants in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and CDP may, at their absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as they may deem fit.
- (22) The Company and CDP shall be entitled to process each application submitted for the acceptance of Warrants, and where applicable, application of excess Warrants in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid, evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Warrants.

APPENDIX V — LIST OF PARTICIPATING BANKS

1. DBS Bank Ltd. (including POSB);
2. Oversea-Chinese Banking Corporation Limited; and
3. United Overseas Bank Limited and its subsidiary.

DIRECTORS' RESPONSIBILITY STATEMENT

OFFER INFORMATION STATEMENT DATED 20 MAY 2016

The Directors collectively and individually accept full 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, this Offer Information Statement 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 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 those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of **STARBURST HOLDINGS LIMITED**

BOARD OF DIRECTORS

EDWARD LIM CHIN WAH

YAP TIN FOO

GAN LAI CHIANG

GOPAL PERUMAL

TAN TENG WEE

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