

**JB FOODS LIMITED**  
(Company Registration No: 201200268D)  
(Incorporated in the Republic of Singapore)  
("Company")

---

- (1) **THE PROPOSED ACQUISITION OF THE CALL OPTION SHARES IN PT JEBE KOKO AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION**
  - (2) **ALLOTMENT AND ISSUE OF 38,000,000 CONSIDERATION SHARES AT AN ISSUE PRICE OF S\$0.30 EACH TO JBC COCOA GROUP SDN BHD, AS PART SATISFACTION OF THE CONSIDERATION FOR THE PROPOSED ACQUISITION**
- 

## 1. INTRODUCTION

The Board of Directors (the "**Board**") of the Company wishes to announce that the Company has today exercised the call option granted to the Company (the "**Call Option**") pursuant to a call option agreement dated 15 May 2012 and entered into by the Company and JBC Cocoa Group Sdn Bhd ("**JBC Group**") at the time of the Company's initial public offering (the "**IPO**") to purchase all the shares in PT Jebe Koko ("**PT Koko**") which are registered in the name of JBC Group as at the date of the notice of exercise together with any other form of capital injections made by JBC Group in PT Koko including but not limited to debentures or shareholders' advances as at the date of the exercise of the Call Option. Pursuant to the exercise of the Call Option, the Group will be acquiring the 40,000 shares in the issued and paid-up share capital of PT Koko (which comprise 80.0% of the equity interest in PT Koko) together with shareholders' advances from JBC Group to PT Koko of US\$11.9 million (collectively, the "**Call Option Shares**") (the "**Proposed Acquisition**"). The Company, together with its subsidiaries, is hereinafter referred to as the "**Group**".

The Board also refers to the announcement released today (2 September 2014) in relation to the proposed renounceable non-underwritten rights issue of up to 240,000,000 new ordinary shares in the capital of the Company ("**Rights Shares**") at an issue price of S\$0.12 for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company held by entitled shareholders as at a books closure date to be determined ("**Proposed Rights Issue**").

The Group will be holding the Call Option Shares through P.T. Jebe Trading Indonesia ("**PT Jebe Trading**"), a company incorporated in Indonesia in June 2014 for investment holding and trading of cocoa products. PT Jebe Trading is a subsidiary of JB Foods Global Pte. Ltd. ("**JB Foods Global**"), a wholly owned subsidiary of the Company. The consideration for the Proposed Acquisition will be satisfied (a) in part by the allotment and issue of 38,000,000 new ordinary shares in the capital of the Company at an issue price of S\$0.30 per share (the "**Consideration Shares**"), credited as fully-paid, by the Company to JBC Group; and (b) in the other part by cash. The component of the consideration which will be satisfied in cash will be funded by proceeds from the Proposed Rights Issue. As such, the completion of the Proposed Acquisition is conditional upon the completion of the Proposed Rights Issue. In the event that the Proposed Rights Issue does not proceed to completion, the Company will not proceed with the Proposed Acquisition.

The Proposed Acquisition constitutes (i) a major transaction and (ii) an interested person transaction which value exceeds 5.0% of the latest consolidated audited NTA value of the Group. Accordingly, it is subject to the approval of Shareholders under Rules 1014 and 906 of the Listing Manual. Additionally, the allotment and issue of the Consideration Shares requires the approval of Shareholders under Section 161 of the Companies Act and Rules 804 and 805(1) of the Listing Manual. Accordingly, the Board intends to convene an extraordinary general meeting to seek Shareholders' approval for the Proposed Acquisition and the

allotment and issue of the Consideration Shares. A circular ("**Circular**"), setting out the relevant information (including, without limitation, the risk factors relating to the Proposed Acquisition), will be despatched to Shareholders in due course.

## **2. INFORMATION AND RATIONALE FOR THE PROPOSED ACQUISITION**

### **2.1. Background**

The Company is a cocoa ingredient producer and the Group's principal activities comprise the production and sale of cocoa ingredient products, mainly cocoa butter, cocoa powder, cocoa liquor and cocoa cake.

PT Koko owns the cocoa bean processing facility located in Maspion Industrial Estate in Gresik, Indonesia (which is approximately 30 kilometres from the port of Surabaya). At the time of the IPO, PT Koko had commenced initial construction of the cocoa bean processing facility. However, PT Koko and the cocoa bean processing facility had not been incorporated into the Group for the following reasons:

- (a) the green field nature of the development of the facility;
- (b) uncertainties as to the timing of the construction and thereafter the commissioning of the processing facility;
- (c) uncertainties as to the timing of obtaining the requisite licenses and permits before the commencement of operations; and
- (d) potential risks as to the feasibility of the operations.

The current shareholders of PT Koko are JBC Group, a controlling shareholder of the Company, and PT Aneka<sup>(1)</sup>. At the time of the IPO, JBC Group and PT Aneka held 75.0% and 25.0% of the equity interest in PT Koko respectively. Accordingly, PT Koko is an associate of JBC Group and is an interested person.

In order to address any potential conflict of interests which may arise between the Group and PT Koko, the Company had entered into the Call Option Agreement with JBC Group. Pursuant to the Call Option Agreement, JBC Group irrevocably granted the Company the right to purchase all its shares in the issued and paid-up share capital of PT Koko, together with any other form of capital injections made by it in PT Koko, including but not limited to, debentures or shareholders' advances, as the case may be.

PT Koko's cocoa bean processing facility commenced operations in 2012 and the total production output per annum for FY2012 and FY2013 was 344Mt (as the facility had commenced operations in late FY2012) and 25,922Mt respectively. Although the Group has its own cocoa bean processing facility, through tolling arrangements, PT Koko supplies the Group with cocoa liquor required for its day to day operations. Under such tolling arrangements, PT Koko purchases cocoa beans at market price from third parties, processes these cocoa beans into cocoa liquor, and sells them to the Group for a price that is based on the costs of the cocoa beans and the agreed tolling fee per metric tonne of cocoa beans processed into cocoa liquor. Additionally, since October 2013, PT Koko's cocoa bean processing facility was upgraded with capability to further process cocoa liquor into cocoa cake and cocoa butter. Such cocoa cake and cocoa butter produced is supplied to the Group for a price that is based on the costs of the cocoa beans and the agreed tolling fee per metric tonne of cocoa beans processed into cocoa cake and cocoa butter respectively.

As PT Koko is an interested person, the tolling arrangements entered into by the Group with PT Koko are interested person transactions. As these tolling arrangements are recurring

transactions that occur with some degree of frequency as part of the day to day operations of the Group, a general mandate was sought and obtained from Shareholders on 8 March 2013 for, *inter alia*, the Group's entrance into such tolling arrangements with PT Koko. This general mandate was renewed by Shareholders on 30 April 2014.

**Note:**

- (1) PT Aneka, a private limited company incorporated under the laws of the Republic of Indonesia on 26 April 2011, is an independent third party. The shares of PT Aneka are held by unrelated, independent third parties.

## **2.2. Information on JBC Group**

JBC Group is a controlling shareholder of the Company. As such, JBC Group is an interested person and the Proposed Acquisition constitutes an interested person transaction.

## **2.3. Information on PT Koko**

PT Koko is a private limited company incorporated under the laws of the Republic of Indonesia on 26 April 2011. PT Koko is engaged in the business of producing cocoa products at a cocoa bean processing facility in Maspion Industrial Estate in Gresik, Indonesia. PT Koko's cocoa bean processing facility has a cocoa bean dump capacity of 60,000 Mt per annum.

The main assets of PT Koko comprise:

- (a) freehold land with a total area of 19,572 square metres on which the cocoa bean processing facility is situated and a building with a built up area of 12,459 square metres; and
- (b) cocoa processing machines such as one (1) cocoa bean cleaning plant, two (2) alkaliser and roasters, four (4) grinding lines and three (3) cocoa press.

As at the 31 March 2014, PT Koko has 163 full-time employees who are employed in Indonesia. The key management of PT Koko consists of an operations manager, production manager, accounting manager, human resource manager, finance manager and assistant quality analysis manager who all report to a general manager. The general manager reports to the board of directors of PT Koko who comprise Tey How Keong, Goh Lee Beng, Sia Swee Chin (the assistant trading manager of JB Cocoa) and Limpang Limantara (a shareholder and representative of PT Aneka Food Indonesia ("**PT Aneka**")). The board of commissioners of PT Koko, whose role is to supervise the way the board of directors of PT Koko discharge their duties, is made up of Tey Kan Sam @ Tey Hin Ken and Hendrik Wijoyo (a representative of PT Aneka). The Company has no plans to make any changes to the management and boards of PT Koko following the Proposed Acquisition.

As at the date of exercise of the Call Option, the issued and paid-up shares in the capital of PT Koko is US\$5 million, comprising 50,000 ordinary shares. Pursuant to the Call Option Agreement, the Group will through PT Jebe Trading Indonesia ("**PT Jebe Trading** ") acquire the Call Option Shares, being (i) 80.0% of the issued and paid-up shares in the capital of PT Koko, comprising 40,000 ordinary shares, and (ii) US\$11.9 million in shareholders' advances as at the date of this Announcement.

Upon completion of the Proposed Acquisition, PT Jebe Trading will hold 80.0% of the shares in PT Koko. The remaining 20.0% of the shares in PT Koko will continue to be held by PT Aneka. JB Foods Global, a wholly owned subsidiary of the Company, currently holds 95.0% of the shares in PT Jebe Trading. The remaining 5.0% of the shares in PT Jebe Trading is held by Limpang Limantara (a shareholder and representative of PT Aneka).

The respective shareholdings of the shareholders of PT Koko as at the date of exercise of the Call Option and immediately following the completion of the Proposed Acquisition are set out in the table below:

Shareholder	Shareholdings as at the date of exercise of the Call Option	Shareholdings upon completion of the Proposed Acquisition
JBC Group <sup>(1)</sup>	40,000 shares (80.0%)	-
PT Jebe Trading	-	40,000 shares (80.0%)
PT Aneka <sup>(2)</sup>	10,000 shares (20.0%)	10,000 shares (20.0%)
<b>Total</b>	<b>50,000 shares (100.0%)</b>	<b>50,000 shares (100.0%)</b>

**Notes:**

- (1) The increase in JBC Group's equity interest in PT Koko of 75.0% from the time of the IPO to 80.0% as at the date of exercise of the Call Option is due to a non-proportionate capital injection in February 2012 by its shareholders, being US\$2,500,000 by JBC Group for 25,000 new ordinary shares and a capital injection of US\$500,000 by PT Aneka for 5,000 new ordinary shares, as capital for the acquisition of fixed assets.
- (2) PT Aneka, a private limited company incorporated under the laws of the Republic of Indonesia on 26 April 2011, is an independent third party. Save as provided in this announcement, the shares of PT Aneka are held by unrelated, independent third parties.

#### **2.4. Rationale and Benefits of the Proposed Acquisition**

The reasons supporting the Proposed Acquisition are as follows:

- (a) The green field nature, uncertainties and potential risks associated with the incorporation of PT Koko into the Group have substantially been reduced

The cocoa bean processing facility has been operating for more than one (1) year. It has obtained the requisite licenses and permits required for its operations. Based on PT Koko's financial statements for financial year ended or ending 31 December 2013 ("**FY2013**"), it reported a net profit of US\$2.0m and operating revenue of US\$63.9m. As such, the Directors are of the opinion that the green field nature, uncertainties and potential risks associated with the incorporation of PT Koko into the Company, together with its subsidiaries (the "**Group**") at the time of the initial public offering of the Company ("**IPO**") have been substantially reduced.

- (b) Vertical integration of PT Koko into the Group

Since the commencement of its operations in late 2012, PT Koko's cocoa bean processing facility has been functioning as a single operational unit with the Group's cocoa ingredient production facility. The main purpose of the cocoa bean processing facility is to supply cocoa liquor to the Group for it to process into primary end products such as cocoa cake, cocoa butter and cocoa powder. Additionally, since October 2013, PT Koko's has also been supplying cocoa cake and cocoa butter to the Group for sale to customers.

The Proposed Acquisition will be a vertical integration of what is in practice already an operational supply chain assimilation of PT Koko and the Group.

(c) Tax and costs savings to the Group

The Indonesian government had in 2010 imposed an export tax on raw cocoa beans to encourage the processing of cocoa beans locally and develop the Indonesian cocoa processing industry. The integration of PT Koko's cocoa bean processing facility with the Group will allow the Group to process raw cocoa beans sourced from Indonesia locally, thus saving on the cocoa bean export tax.

Additionally, the Proposed Acquisition will allow the Group to cut down on the costs of processing cocoa beans into cocoa products as the costs of labour is lower in Indonesia.

(d) Supply of cocoa ingredients by PT Koko will no longer be an interested person transaction

Upon completion of the Proposed Acquisition, PT Koko will be a subsidiary of the Company. As such, the tolling arrangements entered into with PT Koko for the supply of cocoa ingredients will no longer be considered interested person transactions. Accordingly, the Group will no longer be required to adhere to the guidelines and review procedures imposed under the general mandate for the transactions entered into with PT Koko. This will substantially reduce the Group's expenses associated with adhering to such guidelines and review procedures for the transactions entered into with PT Koko and allow the Company to channel its resources and time towards the attainment of its other business objectives.

### 3. CONSIDERATION AND VALUATION

Pursuant to the terms of the Call Option Agreement, the consideration for the Proposed Acquisition ("**Consideration**") was agreed to be the lower of:

- (a) the cost of investment (which is defined as the total amount invested by JBC Group in PT Koko either as issued and paid-up share capital for the Call Option Shares or in any other form of capital injections made by JBC Group in PT Koko, including but not limited to, debentures or shareholders' advances as at the date of the notice of exercise or the notice of acceptance as the case may be) invested by JBC Group in PT Koko together with interest accruing at the rate of seven per centum (7.0%) per annum calculated from the date JBC Group's cost of investment was made to PT Koko until the date JBC Group receives the notice of fulfilment of all the conditions precedent set out in the Call Option Agreement; or
- (b) the amount as determined by a valuation conducted by an independent valuer who shall be appointed by the Audit Committee and acceptable to the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Audit Committee had commissioned American Appraisal Singapore Pte. Ltd., an independent valuer, to carry out a business valuation on PT Koko for the purpose of the Proposed Acquisition. American Appraisal had determined the enterprise valuation and equity valuation of PT Koko using generally accepted valuation methodologies, including income, market and cost-based approaches. Overall, American Appraisal is of the opinion that the base equity value of PT Koko (including shareholders' advances) as at 31 March 2014 is reasonably stated as US\$37.5 million. The proportionate fair value of the Call Option Shares is estimated at US\$31.9 million. Details on the calculation of the proportionate fair value of the Call Option Shares will be set out in the Circular to Shareholders.

The cost of investment by JBC Group in PT Koko together with interest accruing at the rate of seven per centum (7.0%) per annum calculated from the date JBC Group's cost of investment was made to PT Koko until 30 November 2014, the date which the Company envisages that JBC Group will receive the notice from the Company of fulfilment of all the conditions precedents set out in the Call Option Agreement is estimated to be US\$18.4 million.

As the cost of investment by JBC Group in PT Koko together with interest accrued is lower than the proportionate fair value of the Call Option Shares, the Consideration for the Proposed Acquisition is estimated to be US\$18.4 million, being the cost of investment by JBC Group in PT Koko together with interest accrued. The Consideration represents a discount of approximately 42.3% to the proportionate fair value of the Call Option Shares of US\$31.9 million.

In accordance with the terms of the Call Option Agreement, the Consideration shall be paid by the Company to JBC Group on the completion of the sale and purchase of the Call Option Shares, which is required to take place within 30 days from the date JBC Group receives notice of the fulfilment of all the conditions precedent to the Proposed Acquisition.

The Consideration will be satisfied (a) in part by the allotment and issue of 38,000,000 Shares at an issue price of S\$0.30 per Share (collectively, the "**Consideration Shares**"), credited as fully-paid, by the Company to JBC Group; and (b) in the other part by cash.

The Consideration Shares shall be issued free from all encumbrances and shall rank pari passu in all respects with and carry all rights similar to the Shares existing as at the date of the allotment and issue of the Consideration Shares, save for any dividends, rights, allotments or other distributions, the record date of which falls before the issuance of the Consideration Shares. The issue price of S\$0.30 per Consideration Share is a premium of 40.1% to the weighted average price of S\$0.2142 for trades done on the SGX-ST on 1 September 2014, being the preceding market day before the Call Option was exercised (there were no trades in the Shares on the SGX-ST on 2 September 2014, the date on which the Call Option was exercised). Based on the Company's audited financial statements for FY2013, the Company's NTA per Share is approximately RM0.372 (or S\$0.147 per Share based on an exchange rate of RM1.00 to S\$0.394). As such, the issue price of S\$0.30 per Consideration Share represents a premium of 104.1% to the NTA per Share. For the avoidance of doubt, the Consideration Shares are not eligible to be entitled to the Rights Shares and the issue price of the Consideration Shares will not be adjusted as a result of the Proposed Rights Issue.

The Company will be making an application to the SGX-ST for the dealing in, listing of and quotation of the Consideration Shares to be allotted and issued as part satisfaction of the Consideration on the Main Board of the SGX-ST and will inform Shareholders of the outcome of the application in due course.

#### **4. PROPOSED RIGHTS ISSUE AND SHAREHOLDER'S UNDERTAKING**

In support of the Proposed Rights Issue, certain shareholders of the Company, namely JBC Group, Tee Yih Jia Food Manufacturing Pte Ltd, Tey How Keong and Goh Lee Beng (collectively, the "**Undertaking Shareholders**") had each given irrevocable undertakings to the Company (collectively, the "**Irrevocable Undertakings**"), details of which are set out below:

- (a) JBC Group has undertaken to, inter alia, (i) irrevocably and unconditionally renounce its entitlement to 9,000,000 Rights Shares in favour of Tee Yih Jia Food Manufacturing Pte Ltd (the "**TYJ JBC Entitled Rights Shares**"); and (ii) subscribe and pay for, and/or procure the subscription of and payment for, the remaining part of

its pro rata entitlement to the Rights Shares arising under the Proposed Rights Issue, being 113,400,000 Rights Shares (the "**JBC Undertaking**");

- (b) Tee Yih Jia Food Manufacturing Pte Ltd had undertaken to, inter alia, (i) subscribe and pay for, and/or procure the subscription of and payment for 40,000,000 Rights Shares, being its pro rata entitlement to the Rights Shares arising under the Proposed Rights Issue and the TYJ JBC Entitled Rights Shares; and (ii) subject to it not being placed in a position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers within such time and date to be informed by the Company to it (to the extent permitted by the SGX-ST, the CDP or any relevant authority), in accordance with the terms of the Proposed Rights Issue, make excess applications and payment for any excess Rights Shares which remain unsubscribed for by entitled shareholders as at the closing date after satisfying all applications and excess applications (if any) for the Rights Shares;
- (c) Tey How Keong had undertaken to, inter alia, (i) subscribe and pay for, and/or procure the subscription of and payment for, 500,000 Rights Shares, being his pro rata entitlement to the Rights Shares arising under the Proposed Rights Issue; and (ii) procure that JBC Group fulfils its obligations pursuant to the JBC Undertaking; and
- (d) Goh Lee Beng had undertaken to, inter alia, (i) subscribe and pay for, and/or procure the subscription of and payment for, 200,000 Rights Shares, being her pro rata entitlement to the Rights Shares arising under the Proposed Rights Issue, and (ii) procure that JBC Group fulfils its obligations pursuant to the JBC Undertaking.

Based on and subject to the terms of the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, all the Rights Shares will be subscribed for. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue will be 720,000,000 Shares. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue and the Proposed Acquisition will be 758,000,000 Shares.

Please refer to the Appendix for the interests of the Directors and substantial Shareholders in the Shares (i) immediately before the completion of the Proposed Rights Issue and the Proposed Acquisition; (ii) immediately after the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition; and (iii) immediately after the completion of the Proposed Rights Issue and the Proposed Acquisition.

## **5. SOURCES OF FUNDS FOR THE PROPOSED ACQUISITION**

The component of the Consideration which will be satisfied in cash will be funded by proceeds from the Proposed Rights Issue. As such, the completion of the Proposed Acquisition is conditional upon the completion of the Proposed Rights Issue. In the event that the Proposed Rights Issue does not proceed to completion, the Company will not proceed with the Proposed Acquisition. Shareholders should therefore take note of announcements in relation to the Rights Issue and the Proposed Acquisition which may be released by the Company on SGXNET after the date of this Announcement.

Based on the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, the Company will be able to fund the cash component of the Consideration.

## **6. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION**

In accordance with the terms of the Call Option Agreement, completion of the Proposed Acquisition is conditional upon:

- (a) approval from the Shareholders to purchase all the Call Option Shares from JBC Group pursuant to the listing rules of the SGX-ST (including but not limited to Chapters 9 and 10 of the Listing Manual) and/or the Companies Act, if required;
- (b) approval from the Coordination Board for Capital Investment (Badan Koordinasi Penanaman Modal) in Indonesia for the transfer of the Call Option Shares to the Company;
- (c) approval from the shareholders of JBC Group for the sale of the Call Option Shares to us; and
- (d) any other approvals required from all regulatory authorities either in Singapore, Malaysia or Indonesia by the Company to purchase the Call Option Shares.

To conclude the sale and assignment of the Call Option Shares, on completion of the Proposed Acquisition:

- (a) JBC Group will execute a deed of assignment to assign the shareholders' advances of US\$11.9 million to the Company, which will in turn assign said shareholders' advances to PT Jebe Trading; and
- (b) JBC Group and PT Jebe Trading will execute a share purchase and transfer agreement to transfer the 40,000 shares in the capital of PT Koko from JBC Group to PT Jebe Trading.

The Call Option Shares will be acquired free from all encumbrances and with all rights and interests attaching as at the date of completion of the Proposed Acquisition.

## 7. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION AND THE PROPOSED RIGHTS ISSUE

The pro forma financial effects of the Proposed Acquisition, based on the audited consolidated financial statements of the Group for FY2013 are set out below. The pro forma financial effects are only presented for illustration purposes, and are not intended to reflect the actual future financial situation of the Company or the Group after completion of the Proposed Acquisition.

### (a) Loss per Share ("LPS")

Assuming that the Proposed Rights Issue had been completed on 1 January 2013 and Proposed Acquisition was completed on 1 January 2013, the effect of the Proposed Acquisition on the LPS of the Group for FY2013 will be as follows:

	Before the completion of the Proposed Acquisition and the Proposed Rights Issue	After the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition <sup>(2)</sup>	After the completion of the Proposed Acquisition and the Proposed Rights Issue <sup>(3)</sup>
Loss attributable to owners of the parent (RM'000)	(53,220)	(53,220)	(48,007) <sup>(4)</sup>

<b>Number of Shares (Weighted average) (‘000)</b>	470,575	710,575	748,575
<b>LPS<sup>(1)</sup> (sen)</b>	(11.31)	(7.49)	(6.41) <sup>(4)</sup>

**Notes:**

- (1) The calculation for the basic and diluted LPS was based on the aggregated weighted average number of shares in issue in FY2013. The basic and diluted LPS were the same as the Group did not have any potentially dilutive instruments for the respective financial period/year.
- (2) Based on and subject to the terms of the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, all the Rights Shares will be subscribed for. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue will be 720,000,000 Shares.
- (3) Based on and subject to the terms of the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, all the Rights Shares will be subscribed for. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue and the Proposed Acquisition will be 758,000,000 Shares.
- (4) The financial effects of the Proposed Acquisition has not reflected the fair value adjustments of the net identifiable asset of PT Koko and this assumes that the fair value of PT Koko approximates its book value as at the date of acquisition. Actual results may be different after the fair value assessment carried out by the valuer.

(b) **Net Tangible Assets ("NTA")**

Assuming that the Proposed Rights Issue had been completed on 31 December 2013 and the Proposed Acquisition was completed on 31 December 2013, the effect of the Proposed Acquisition on the NTA of the Company for FY2013 will be as follows:

	<b>Before the completion of the Proposed Acquisition and the Proposed Rights Issue</b>	<b>After the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition<sup>(1)</sup></b>	<b>After the completion of the Proposed Acquisition and the Proposed Rights Issue<sup>(2)</sup></b>
<b>NTA (RM'000)</b>	178,623	251,297	276,516 <sup>(3)</sup>
<b>Number of Shares ('000)</b>	480,000	720,000	758,000
<b>NTA per Share (sen)</b>	37.21	34.90	36.48 <sup>(3)</sup>

**Notes:**

- (1) Based on and subject to the terms of the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, all the Rights Shares will be subscribed for. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue will be 720,000,000 Shares.
- (2) Based on and subject to the terms of the Irrevocable Undertakings given by the Undertaking Shareholders for the Proposed Rights Issue, all the Rights Shares will be subscribed for. The total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue and the Proposed Acquisition will be 758,000,000 Shares.

- (3) The financial effects of the Proposed Acquisition has not reflected the fair value adjustments of the net identifiable asset of PT Koko and this assumes that the fair value of PT Koko approximates its book value as at the date of acquisition. Actual results may be different after the fair value assessment carried out by the valuer.

## 8. THE PROPOSED ACQUISITION AS A MAJOR TRANSACTION

Based on the latest audited consolidated financial statements of the Group for FY2013, the relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the listing manual of the SGX-ST ("**Listing Manual**") are as follows:

<b>Rule 1006 of the Listing Manual</b>	<b>Bases</b>	<b>Relative Figures</b>
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not Applicable <sup>(1)</sup>
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits.	Not meaningful <sup>(2)</sup>
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	22.4% <sup>(3)</sup>
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	7.9% <sup>(4)</sup>
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not Applicable <sup>(5)</sup>

### Notes:

- (1) This is an acquisition.
- (2) The net profit attributable to the Call Option Shares is US\$1.6 million (or S\$2.0 million). However, as the Group reported a net loss in FY2013, this base under Rule 1006(b) is not meaningful.
- (3) Based on the Consideration of US\$18.4 million (or S\$23.0 million) (at an exchange rate of US\$1.00 to S\$1.25), and the Company's market capitalisation of approximately S\$102.8 million. The Company's market capitalisation is determined by multiplying the number of Company's shares in issue (480,000,000) by the weighted average price of the Company's shares on 1 September 2014 (being the market day preceding the date of exercise of the Call Option) of S\$0.2142 per share.
- (4) Based on the number of Consideration Shares to be issued being 38,000,000 divided by the number of Company's shares in issue (480,000,000).
- (5) The Company is not a mineral, oil or gas company.

As the relative figures as computed on the above bases exceed 20.0%, the Proposed Acquisition constitutes a "major transaction" within the meaning of Chapter 10 of the Listing Manual, and is subject to approval of Shareholders.

## 9. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

As JBC Group is an interested person, the Proposed Acquisition constitutes an interested person transaction within the meaning of Chapter 9 of the Listing Manual.

The value at risk of the Proposed Acquisition is the Consideration, being US\$18.4 million (or RM58.0 million based on an exchange rate of US\$1.00 to RM3.15). Based on the latest audited consolidated financial statements of the Group for FY2013, the audited NTA of the Group was approximately RM178.6 million, the value at risk of the Proposed Acquisition expressed as a percentage of the Group's latest consolidated audited NTA value is approximately 32.5%. As this value exceeds 5.0% of the Group's latest consolidated audited NTA value, pursuant to Rule 906 of the Listing Manual, the Proposed Acquisition is an interested person transaction which is subject to the approval of the Shareholders.

Save for a corporate guarantee granted by JBC Group to secure the Group's obligations under a credit facility granted to JB Cocoa Sdn Bhd (of which the outstanding amount guaranteed by JBC Group for said credit facility as at 1 September 2014 ("**Latest Practicable Date**") is approximately RM26.7 million), the Group had not entered into any interested person transactions with JBC Group since the beginning of FY2014 up to the Latest Practicable Date.

Save as set out above and except for the transactions mentioned in sub-paragraphs (a) and (b) below, the Company, its subsidiaries and associated companies which, for the purposes of Chapter 9 of the Listing Manual, are considered to be "entities at risk", have not entered into transactions with the Company's interested persons or their associates since the beginning of FY2014 up to the Latest Practicable Date:

- (a) transactions less than S\$100,000 in value; and
- (b) the undermentioned transactions:

Name of interested person and particulars of interested person transactions	Aggregate Value of all interested person transactions since the beginning of FY2014 up to the Latest Practicable Date (excluding transactions conducted under the Shareholders' mandate pursuant to Rule 920) (RM'000)	Aggregate Value of all interested person transactions conducted under the Shareholders' mandate pursuant to Rule 920 since the beginning of FY2014 up to the Latest Practicable Date (RM'000)
<b>PT Jebe Koko</b>		
- Purchase of raw materials	-	200,801
- Sales of goods	-	251
- Shareholder advance		699
<b>Guan Chong Cocoa Manufacturer Sdn Bhd</b>		
- Purchase of raw materials	-	353
<b>Total for the current financial period</b>	-	202,104

The audit committee of the Company (comprising Chua Cheow Khoon Michael, Leow Wee Kia Clement and Chin Koon Yew) ("**Audit Committee**") has appointed Provenance Capital Pte. Ltd. as the independent financial adviser ("**IFA**") to directors who are considered independent in relation to the Proposed Acquisition, being Chua Cheow Khoon Michael, Goi Seng Hui, Leow Wee Kia Clement and Chin Koon Yew ("**Recommending Directors**") to opine on whether the Proposed Acquisition is on normal commercial terms and is prejudicial to the interests of the Company and its minority Shareholders. The view of the IFA will be set out in the Circular to Shareholders.

The Audit Committee will form its view on whether the Proposed Acquisition is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders after considering the opinion of the IFA. The view of the Audit Committee will be set out in the Circular to Shareholders.

#### **10. ALLOTMENT AND ISSUE OF CONSIDERATION SHARES**

Rule 804 of the Listing Manual provides that no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of shares unless independent shareholders have approved the specific allotment. Rule 805 of the Listing Manual provides that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares unless such issuance of shares is covered under a general mandate obtained from shareholders of the Company.

As (i) JBC Group is an associate of Tey How Keong and Goh Lee Beng, and (ii) the allotment and issue of the Consideration Shares is not in reliance of the general mandate obtained from Shareholders at the annual general meeting of the Company on 30 April 2014, the allotment and issue of the Consideration Shares by the Company to the JBC Group requires the approval of Shareholders under Section 161 of the Companies Act and Rules 804 and 805(1) of the Listing Manual.

#### **11. NO SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

#### **12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Each of (i) Tey How Keong, (ii) Goh Lee Beng, (iii) Tey Kan Sam @ Tey Hin Ken, and (iv) Lim Ah Bet @ Chabo, by virtue of their respective shareholding interest in JBC Group, and (v) JBC Group has an interest in the Proposed Acquisition and the allotment and issue of the Consideration Shares to JBC Group. Save as aforesaid, none of the Directors (other than in his capacity as a Director or Shareholder) and to the best of the Directors' knowledge, none of the controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition and the allotment and issue of the Consideration Shares to JBC Group.

#### **13. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the allotment and issue of the

Consideration Shares, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this Announcement in its proper form and context.

#### **14. CAUTIONARY STATEMENT**

Shareholders and potential investors should note that the completion of the Proposed Acquisition is conditional upon, *inter alia*, the completion of the Proposed Rights Issue and the approval from the Company's shareholders in respect of the Proposed Acquisition being obtained and are therefore advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bankers, solicitors or other professional advisers if they have any doubt about the actions they should take.

#### **15. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents may be inspected at the registered office of the Company at 80 Robinson Road #17-02 Singapore 068898 during normal business hours for three (3) months from the date of this announcement:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the valuation report by American Appraisal;
- (c) the Call Option Agreement; and
- (d) the notice of exercise for the Call Option.

#### **BY ORDER OF THE BOARD**

Chua Cheow Khoon Michael  
Chairman  
2 September 2014

## APPENDIX

The interests of the Directors and substantial Shareholders in the Shares (i) immediately before the completion of the Proposed Rights Issue and the Proposed Acquisition; (ii) immediately after the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition; and (iii) immediately after the completion of the Proposed Rights Issue and the Proposed Acquisition are as follows:

	Immediately before the completion of the Proposed Rights Issue and the completion of the Proposed Acquisition				Immediately after the completion of the Proposed Rights Issue <sup>(2)</sup> and before the completion of the Proposed Acquisition				Immediately after the completion of the Proposed Rights Issue <sup>(2)</sup> and the Proposed Acquisition			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(3)</sup>	Number of Shares	% <sup>(3)</sup>	Number of Shares	% <sup>(4)</sup>	Number of Shares	% <sup>(4)</sup>
<b>Directors</b>												
Chua Cheow Khoon Michael	-	-	-	-	-	-	-	-	-	-	-	-
Goi Seng Hui <sup>(5)</sup>	-	-	80,000,000	16.7	-	-	205,900,000 <sup>(16)</sup>	28.6 <sup>(16)</sup>	-	-	205,900,000 <sup>(19)</sup>	27.1 <sup>(19)</sup>
Tey How Keong <sup>(6)(7)</sup>	1,000,000	0.2	244,800,000	51.0	1,500,000 <sup>(22)</sup>	0.2 <sup>(22)</sup>	358,200,000 <sup>(22)</sup>	49.8 <sup>(22)</sup>	1,500,000 <sup>(22)</sup>	0.2 <sup>(22)</sup>	396,200,000 <sup>(22)</sup>	52.3 <sup>(22)</sup>
Goh Lee Beng <sup>(6)(8)</sup>	400,000	0.1	244,800,000	51.0	600,000 <sup>(22)</sup>	0.1 <sup>(22)</sup>	358,200,000 <sup>(22)</sup>	49.8 <sup>(22)</sup>	600,000 <sup>(22)</sup>	0.1 <sup>(22)</sup>	396,200,000 <sup>(22)</sup>	52.3 <sup>(22)</sup>
Leow Wee Kia Clement	-	-	-	-	-	-	-	-	-	-	-	-
Chin Koon Yew	-	-	-	-	-	-	-	-	-	-	-	-
Loo Wen Lieh	-	-	-	-	-	-	-	-	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>												
JBC Group <sup>(9)</sup>	244,800,000	51.0	-	-	358,200,000 <sup>(22)</sup>	49.8 <sup>(22)</sup>	-	-	396,200,000 <sup>(22)</sup>	52.3 <sup>(22)</sup>	-	-
Tey Kan Sam @ Tey Hin Ken <sup>(6)(10)</sup>	-	-	244,800,000	51.0	-	-	358,200,000 <sup>(22)</sup>	49.8 <sup>(22)</sup>	-	-	396,200,000 <sup>(22)</sup>	52.3 <sup>(22)</sup>
Lim Ah Bet @ Chabo <sup>(6)(11)</sup>	-	-	244,800,000	51.0	-	-	358,200,000 <sup>(22)</sup>	49.8 <sup>(22)</sup>	-	-	396,200,000 <sup>(22)</sup>	52.3 <sup>(22)</sup>
ECOM Agroindustrial Corp. Limited <sup>(12)</sup>	55,200,000	11.5	-	-	55,200,000 <sup>(17)</sup>	7.6 <sup>(17)</sup>	-	-	55,200,000 <sup>(20)</sup>	7.3 <sup>(20)</sup>	-	-
UniChocola Pte. Ltd. <sup>(13)</sup>	-	-	55,200,000	11.5	-	-	55,200,000 <sup>(17)</sup>	7.6 <sup>(17)</sup>	-	-	55,200,000 <sup>(20)</sup>	7.3 <sup>(20)</sup>

	Immediately before the completion of the Proposed Rights Issue and the completion of the Proposed Acquisition				Immediately after the completion of the Proposed Rights Issue <sup>(2)</sup> and before the completion of the Proposed Acquisition				Immediately after the completion of the Proposed Rights Issue <sup>(2)</sup> and the Proposed Acquisition			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(3)</sup>	Number of Shares	% <sup>(3)</sup>	Number of Shares	% <sup>(4)</sup>	Number of Shares	% <sup>(4)</sup>
IECOM Pte. Ltd. <sup>(14)</sup>	-	-	55,200,000	11.5	-	-	55,200,000 <sup>(17)</sup>	7.6 <sup>(17)</sup>	-	-	55,200,000 <sup>(20)</sup>	7.3 <sup>(20)</sup>
Jorge Esteve Campdera and grandchildren <sup>(13)</sup>	-	-	55,200,000	11.5	-	-	55,200,000 <sup>(17)</sup>	7.6 <sup>(17)</sup>	-	-	55,200,000 <sup>(20)</sup>	7.3 <sup>(20)</sup>
Isabel Reolons Esteve and lineal descendants <sup>(14)</sup>	-	-	55,200,000	11.5	-	-	55,200,000 <sup>(17)</sup>	7.6 <sup>(17)</sup>	-	-	55,200,000 <sup>(20)</sup>	7.3 <sup>(20)</sup>
Tee Yih Jia Food Manufacturing Pte Ltd <sup>(15)</sup>	80,000,000	16.7	-	-	205,900,000 <sup>(16)</sup>	28.6 <sup>(16)</sup>	-	-	205,900,000 <sup>(22)</sup>	27.1 <sup>(22)</sup>	-	-
<b>Others</b>	98,600,000	20.5	-	-	98,600,000 <sup>(18)</sup>	13.7 <sup>(18)</sup>	-	-	98,600,000 <sup>(21)</sup>	13.0 <sup>(21)</sup>	-	-
<b>Total</b>	<b>480,000,000</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>720,000,000</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>758,000,000</b>	<b>100</b>	<b>-</b>	<b>-</b>

**Notes:**

- (1) The percentage is calculated based on the total issued and paid-up share capital of 480,000,000 Shares.
- (2) These columns illustrates the respective shareholdings immediately after the Proposed Rights Issue on the assumption that (i) apart from the Irrevocable Undertakings provided by the Undertaking Shareholders, none of the entitled Shareholders at the closing date subscribe for the Rights Shares in the Proposed Rights Issue; and (ii) pursuant to the Irrevocable Undertaking provided by Tee Yih Jia Food Manufacturing Pte Ltd in connection with the Proposed Rights Issue, Tee Yih Jia Food Manufacturing Pte Ltd will subscribe for all the excess Rights Shares.
- (3) The percentage is calculated based on the total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue of 720,000,000 Shares.
- (4) The percentage is calculated based on the total enlarged issued and paid-up capital of the Company upon completion of the Proposed Rights Issue and the Proposed Acquisition of 758,000,000 Shares.

- (5) Goi Seng Hui holds 99.9% of the issued and paid up capital of Tee Yih Jia Food Manufacturing Pte Ltd and is therefore deemed interested in the Shares held by Tee Yih Jia Food Manufacturing Pte Ltd.
- (6) Tey Kan Sam @ Tey Hin Ken and his spouse, Lim Ah Bet @ Chabo are the parents of Tey How Keong. Goh Lee Beng is the spouse of Tey How Keong.
- (7) Tey How Keong holds 36.0% of the issued and paid-up share capital of JBC Group, and is also deemed interested in the 14.0% of the issued and paid-up share capital of JBC Group held by his spouse, Goh Lee Beng, and is therefore deemed interested in the Shares held by JBC Group.
- (8) Goh Lee Beng holds 14.0% of the issued and paid-up share capital of JBC Group, and is also deemed interested in the 36.0% of the issued and paid-up share capital of JBC Group held by her spouse, Tey How Keong, and is therefore deemed interested in the Shares held by JBC Group.
- (9) JBC Group is an investment holding company incorporated under the laws of Malaysia as a private company limited by shares on 2 November 1982.
- (10) Tey Kan Sam @ Tey Hin Ken holds 30.0% of the issued and paid-up share capital of JBC Group, and is also deemed interested in the 20.0% of the issued and paid-up share capital of JBC Group held by his spouse, Lim Ah Bet @ Chabo, and is therefore deemed interested in the Shares held by JBC Group.
- (11) Lim Ah Bet @ Chabo holds 20.0% of the issued and paid-up share capital of JBC Group, and is also deemed interested in the 30.0% of the issued and paid-up share capital of JBC Group held by her spouse, Tey Kan Sam @ Tey Hin Ken, and is therefore deemed interested in the Shares held by JBC Group.
- (12) ECOM is a company incorporated under the laws of Switzerland as a private company limited by shares on 30 September 1999 as a soft commodities wholesale merchant.
- (13) Unichocola Pte. Ltd. (Company Registration No. 200416475K) is an investment holding company incorporated under the laws of Singapore as a private company limited by shares on 22 December 2004. Unichocola Pte. Ltd. holds approximately 36.0% of the issued and paid-up share capital of ECOM, and is therefore deemed interested in the Shares held by ECOM. All the shares in the issued and paid-up share capital of Unichocola Pte. Ltd. is held by Glico PTC, L.L.C., as managing trustee to the Creston Union Trust. The Creston Union Trust is a discretionary trust and the beneficiaries of the Creston Union Trust are Jorge C. Esteve and his grandchildren. Jorge C. Esteve is the settlor of the Creston Union Trust.
- (14) IECOM Pte. Ltd. (Company Registration No. 200416479N) is an investment holding company incorporated under the laws of Singapore as a private company limited by shares on 22 December 2004. IECOM Pte. Ltd. holds approximately 26.3% of the issued and paid-up share capital of ECOM, and is therefore deemed interested in the Shares held by ECOM. All the shares in the issued and paid-up share capital of IECOM Pte. Ltd. is held by Ecire PTC, L.L.C., as trustee to the Robles Trust. The Robles Trust is a discretionary trust and the beneficiaries of the Robles Trust are Isabel R. Esteve and her lineal descendants. Isabel R. Esteve is the settlor of the Robles Trust.
- (15) Tee Yih Jia Food Manufacturing Pte Ltd (Company Registration No. 196900630E) is a manufacturer of frozen foods incorporated under the laws of Singapore as a private company limited by shares on 14 October 1969.
- (16) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, Tee Yih Jia Food Manufacturing Pte Ltd will have a direct interest in 129,000,000 Shares (amounting to 17.9% of the total issued and paid-up share capital of the Company) and Goi Seng Hui will have a deemed interest in 129,000,000 Shares (amounting to 17.9% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition.

- (17) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, ECOM Agroindustrial Corp. Limited will have a direct interest in 82,800,000 Shares (amounting to 11.5% of the total issued and paid-up share capital of the Company) and UniChocola Pte. Ltd., IECOM Pte. Ltd., Jorge Esteve Campdera and grandchildren and Isabel Recolons Esteve and lineal descendants will have a deemed interest in 82,800,000 Shares (amounting to 11.5% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition.
- (18) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, the other Shareholders will have a direct interest in 147,900,000 (amounting to 20.5% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and before the completion of the Proposed Acquisition.
- (19) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, Tee Yih Jia Food Manufacturing Pte Ltd will have a direct interest in 129,000,000 Shares (amounting to 17.0% of the total issued and paid-up share capital of the Company) and Goi Seng Hui will have a deemed interest in 129,000,000 Shares (amounting to 17.0% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and the Proposed Acquisition.
- (20) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, ECOM Agroindustrial Corp. Limited will have a direct interest in 82,800,000 Shares (amounting to 10.9% of the total issued and paid-up share capital of the Company) and UniChocola Pte. Ltd., IECOM Pte. Ltd., Jorge Esteve Campdera and grandchildren and Isabel Recolons Esteve and lineal descendants will have a deemed interest in 82,800,000 Shares (amounting to 10.9% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and the Proposed Acquisition.
- (21) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, the other Shareholders will have a direct interest in 147,900,000 (amounting to 19.5% of the total issued and paid-up share capital of the Company) immediately after the completion of the Proposed Rights Issue and the Proposed Acquisition.
- (22) On the assumption that all the entitled Shareholders as at the books closure date subscribe for the Rights Shares in the Proposed Rights Issue and based on and subject to the terms of the Irrevocable Undertakings provided by the Undertaking Shareholders in connection with the Proposed Rights Issue, the direct and deemed interest of each of Tey How Keong, Goh Lee Beng, Tey Kan Sam @ Tey Hin Ken, Lim Ah Bet @ Chabo and JBC Group in the Shares will be the same as that reflected herein.