

OFFER INFORMATION STATEMENT DATED 3 SEPTEMBER 2014

(Lodged with the Monetary Authority of Singapore on 3 September 2014)

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

A copy of this offer information statement ("**Offer Information Statement**"), together with a copy of the Provisional Allotment Letter ("**PAL**"), the Application Form for Rights Shares and Excess Rights Shares ("**ARE**") and the Application Form for Rights Shares ("**ARS**") have been lodged with the Monetary Authority of Singapore ("**Authority**"). The Authority assumes no responsibility for the contents of the Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289, of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) being offered or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation will commence after the Rights Shares certificates have been issued and the allotment letters from The Central Depository (Pte) Limited ("**CDP**") have been despatched.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and/or opinions expressed herein. Approval in-principle granted by the SGX-ST for admission to the SGX-ST and the dealing in, listing of and quotation for the Rights Shares are in no way reflective of and are not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights Shares, Broadway Industrial Group Limited ("**Company**") and/or its subsidiaries, or the Shares (as defined herein).

The directors of the Company ("**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.

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement, and no officer or equivalent person or promoter of the Company will authorise or permit the allotment or allocation of any Rights Shares on the basis of this Offer Information Statement. Your attention is drawn to the section entitled "Risk Factors" of this Offer Information Statement which you should read carefully.



THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 55,472,483 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S\$0.18 FOR EACH RIGHTS SHARE (THE "ISSUE PRICE"), ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIFTEEN (15) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "SHARES") HELD BY THE SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED (THE "RIGHTS ISSUE"), FRACTIONAL ENTITLEMENTS BEING DISREGARDED

IMPORTANT DATES AND TIMES

Last date and time for splitting Rights Shares	:	16 September 2014 at 5.00 p.m.
Last date and time for acceptance and payment for Rights Shares	:	22 September 2014 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein) through ATMs (as defined herein) of the Participating Banks (as defined herein))
Last date and time for acceptance of and payment of Rights Shares by renounees	:	22 September 2014 at 5.00 p.m.
Last date and time for acceptance and payment for Excess Rights Shares	:	22 September 2014 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)

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IMPORTANT NOTES

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

For Entitled Depositors (which excludes Entitled Scripholders, CPFIS Members and investors who hold Shares through a finance company or Depository Agent), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies or Depository Agents and in the case of investors who had bought Shares under the CPF investment scheme – Ordinary Account (“CPFIS Members”), their respective approved CPF agent bank. Any application made directly through CDP or through ATMs will be rejected.

For CPFIS Members, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares can only be made using CPF ordinary account savings, (subject to the availability of investible savings) (“CPF Funds”). In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF investment accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares.

Entitled Shareholders who had purchased the Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights Shares and (if applicable) application for Excess Rights Shares. Such Entitled Shareholders who wish to accept their Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks in which they hold their SRS accounts to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Entitled Shareholders who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective approved banks before instructing their respective approved banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. SRS monies may not be used for the purchase of the provisional allotment of the Rights Shares directly from the market. Any acceptance of the Rights Shares provisionally allotted pursuant to these Shares and (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar and/or the Company and/or an ATM, will be rejected.

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

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, risk

IMPORTANT NOTES

factors, profits and losses, financial position, performance and prospects of the Company, the Group and the rights and liabilities attaching to the Rights Shares. They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their legal, financial, tax or other professional advisers before deciding whether to subscribe for the Rights Shares or to purchase any Shares.

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

The Company is not making any representation to any person regarding the legality of an investment in the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations.

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

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom these documents are dispatched by the Company, their renounees and Purchasers) or for any other purpose.

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

IMPORTANT NOTES

The distribution of this Offer Information Statement (and/or its accompanying documents) and the purchase, exercise of or subscription for the Rights Shares 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 or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised by the Company to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company.

CORPORATE INFORMATION

Directors of the Company	:	Lew Syn Pau (<i>Chairman and Independent Director</i>) Lee Chow Soon (<i>Independent Director</i>) Eu Yee Ming Richard (<i>Independent Director</i>) Wong Sheung Sze (<i>Non-Executive Director</i>) Wong Yi Jia (<i>Alternate Director to Wong Sheung Sze</i>) Lee Po Lo @ Lee Khong Kee (<i>Non-Executive Director</i>) Ng Ah Hoy (<i>Executive Director</i>)
Registered Office of the Company	:	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Legal Adviser to the Company	:	Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Share Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

DEFINITIONS

For the purposes of this Offer Information Statement, the ARE, the ARS and the PAL, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“1Q”	:	The three (3) month financial period ended 31 March
“2H”	:	The six (6) month financial period ended 31 December
“2Q”	:	The three (3) month financial period ended 30 June
“3Q”	:	The three (3) month financial period ended 30 September
“4Q”	:	The three (3) month financial period ended 31 December
“ARE”	:	Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
“ARS”	:	Application and acceptance form for Rights Shares to be issued to Purchasers
“Articles of Association”	:	The articles of association of the Company, as amended, modified or supplemented from time to time
“ATM”	:	Automated teller machine(s) of the Participating Banks
“Authority”	:	Monetary Authority of Singapore
“BIGL Share Plan”	:	The share plan of the Company, approved and adopted by its members at an extraordinary general meeting held on 28 July 2010
“Board” or “Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Books Closure Date”	:	3 September 2014 at 5.00 p.m., being the date on which the share transfer books and the register of members of the Company will be closed in order to determine, in relation to Entitled Shareholders, their provisional allotment of the Rights Shares under the Rights Issue
“CDP”	:	The Central Depository (Pte) Limited

DEFINITIONS

“Closing Date”	:	(a) 5.00 p.m. on 22 September 2014, such other time(s) and/or date(s) 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 of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (b) 9.30 p.m. on 22 September 2014, or such other time(s) and/or date(s) 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 of the Rights Shares under the Rights Issue through an ATM
“Companies Act”	:	The Companies Act, Chapter 50, of Singapore
“Company”	:	Broadway Industrial Group Limited
“CPF”	:	The Central Provident Fund
“CPF Funds”	:	Has the meaning ascribed to it in the section entitled “Important Notes” of the Offer Information Statement
“CPFIS Members”	:	Has the meaning ascribed to it in the section entitled “Important Notes” of this Offer Information Statement
“EBITDA”	:	Earnings before interest, tax, depreciation and amortization
“Electronic Applications”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM 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 ATM screens of the relevant Participating Bank
“Entitled Depositor(s)”	:	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 have, 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 Scripholder(s)”	:	Shareholders whose share certificates are not deposited with CDP and persons 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 Share Registrar are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days before 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
“Excess Application(s)”		Applications for Excess Rights Shares by Entitled Shareholders
“Excess Rights Shares”	:	Rights Shares in excess of the provisional allotments of Entitled Shareholders to the extent that they are not subscribed by Entitled Shareholders
“Existing Share Capital”	:	The existing issued and paid-up share capital of the Company of 416,043,628 Shares (excluding the Outstanding Shares) as at the Latest Practicable Date
“Foreign Purchasers”	:	Persons purchasing the provisional allotment of rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, 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 on 31 December
“Group”	:	The Company and its subsidiaries
“HDD”	:	Hard disk drive
“HY”		The six (6) month financial period ended 30 June
“Irrevocable Undertakings”	:	The irrevocable undertakings dated 25 July 2014 by Mr Wong Sheung Sze and 30 July 2014 by Mr Lew Syn Pau, which have been given by the Undertaking Shareholders to the Company, details of which are set out in paragraph 1(f) of Part X

DEFINITIONS

“Issue Price”	:	The issue price of the Rights Shares, being S\$0.18 for each Rights Share
“Latest Practicable Date”	:	27 August 2014, being the latest practicable date prior to the printing of this Offer Information Statement
“Maximum Subscription Scenario”	:	Based on the Existing Share Capital and assuming that all of the Entitled Shareholders subscribe and pay for their <i>pro rata</i> entitlements of Rights Shares
“Minimum Subscription Scenario”	:	Based on the Existing Share Capital and assuming that none of the Entitled Shareholders, other than the Undertaking Shareholders in respect of their respective <i>pro rata</i> entitlements to Rights Shares, subscribes and pays for their entitlements of Rights Shares, subject to the terms of each of their Irrevocable Undertakings
“Listing Manual”	:	The Listing Manual of the SGX-ST
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NRIC”	:	National Registration Identity Card
“NTA”	:	Net tangible assets
“Offer Information Statement”	:	This document, together with the PAL, the ARE and the ARS and all other accompanying documents including, where the context so admits, any supplementary or replacement documents to be issued by the Company in connection with the Rights Issue
“Outstanding Shares”	:	The 3,350,750 unissued shares outstanding or subsisting as at the Latest Practicable Date pursuant to the BIGL Share Option Scheme 2011 and the BIGL Share Plan.
“PAL”	:	The provisional allotment letter to be issued to the Entitled Scripholders, setting out the provisional allotment of Rights Shares of such Entitled Scripholders
“Participating Banks”	:	United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited, and DBS Bank Ltd.
“PRC”	:	People’s Republic of China, excluding the Hong Kong Special Administrative Region and the Macau Administrative Region

DEFINITIONS

“Purchasers”	:	Persons purchasing the provisional allotment of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are within Singapore
“PWCCF”	:	PricewaterhouseCoopers Corporate Finance Pte Ltd
“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 the Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Rights Issue”	:	The proposed renounceable non-underwritten rights issue by the Company of up to 55,472,483 Rights Shares at the Issue Price on the basis of two (2) Rights Shares for every fifteen (15) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded
“Rights Mailing Address”	:	Has the meaning ascribed to it in the section entitled “Eligibility of Shareholders to the Rights Issue” in the Offer Information Statement
“Rights Shares”	:	Up to 55,472,483 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“Securities Account”	:	Securities account maintained by a Depositor with CDP (but does not include a sub-securities account maintained with a Depository Agent)
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289, of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the capital of the Company

DEFINITIONS

“SRS”	:	Supplementary Retirement Scheme, a voluntary scheme to encourage individuals to save for retirement, over and above their CPF savings
“Substantial Shareholder”	:	A substantial Shareholder within the meaning of Section 81 of the Companies Act
“Takeover Code”	:	The Singapore Code on Take-Overs and Mergers
“Undertaking Shareholders”	:	Mr Lew Syn Pau and Mr Wong Sheung Sze
“Unit Share Market”	:	The unit share market of the SGX-ST, which allows the trading of odd lots
“%” or “per cent.”	:	Percentage or per centum
“RMB”	:	PRC Renminbi
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$” and “US cents”	:	United States of America dollars and cents, respectively

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

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

The headings in this Offer Information Statement, the PAL, the ARE or the ARS are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

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 gender and *vice versa*. References to persons shall, where applicable, include corporations.

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

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

DEFINITIONS

Any reference to a time of day or date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time and date, unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS in relation to the Rights Issue (including but not limited to the Closing Date, and the last dates and times for splitting, 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 discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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

References in this Offer Information Statement to “we”, “our” and “us” refer to the Group or any member of the Group as the context requires.

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

INDICATIVE TIMETABLE OF KEY EVENTS

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

Shares traded ex-rights	:	1 September 2014 from 9.00 a.m.
Books Closure Date	:	3 September 2014 at 5.00 p.m.
Despatch of Offer Information Statement, the ARE, the ARS and the PAL (as the case may be) to Entitled Shareholders	:	8 September 2014
Commencement of trading of “nil-paid” Rights	:	8 September 2014 from 9.00 a.m.
Last date and time of trading of “nil-paid” Rights	:	16 September 2014 at 5.00 p.m.
Last date and time for splitting Rights Shares	:	16 September 2014 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	22 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance and payment for Rights Shares by renouncees	:	22 September 2014 at 5.00 p.m.
Last date and time for application and payment for Excess Rights Shares	:	22 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	29 September 2014
Expected date for crediting of Rights Shares	:	30 September 2014
Expected date for refund of unsuccessful application (if made through CDP)	:	30 September 2014
Expected date for commencement of trading of Rights Shares	:	30 September 2014 from 9.00 a.m.

The Rights Issue will not be withdrawn after the commencement of ex-rights trading.

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

As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce 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 have been provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept, decline, renounce or in the case of Entitled Depositors only, trade on the SGX-ST (in part or in full) during the provisional allotment trading period prescribed by the SGX-ST their provisional allotments of Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement together with the PAL or the ARE, 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 AREs may obtain them from CDP for the period up to the Closing Date. Entitled Scripholders who do not receive the PALs may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Depositors should note that all notices and documents will be sent to their last registered address with CDP. Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing ("**Rights Mailing Address**"). Depositors are reminded that any request to CDP to register a Rights Mailing Address or any request to CDP to update its records for a new Rights Mailing Address or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, not later than three (3) Market Days prior to the Books Closure Date.

Entitled Scripholders should note that all notices and documents will be sent to their last registered address with the Share Registrar. Shareholders 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 may provide such a Singapore address by notifying **BROADWAY INDUSTRIAL GROUP 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 three (3) Market Days prior to the Books Closure Date.

All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PAL which is issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be registered, lodged or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or unless relevant securities

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

requirements, whether legal or administrative, are 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 legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdiction outside Singapore.

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

The Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited by CDP 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 Rights Shares renounced to him. The Company further reserves the right to reject any acceptances of the Rights Shares and/or any application for Excess Rights Shares where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

The Company reserves the right to treat as invalid any ARE, ARS or PAL 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 share certificate(s) for the Rights Shares which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore or (c) purports to exclude any deemed representation or warranty required by the terms of the Offer Information Statement, ARE, ARS or PAL.

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares commence. Such sale may, 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.

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 standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore and sent at their own risk by ordinary post, or in such other manner as they may have agreed with CDP for the payment of cash distributions. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained for the sole benefit of the Company or dealt with as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in connection therewith.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, 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, the Share Registrar or CDP in respect of such sales or proceeds thereof, of such provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST 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 allotments of Rights Shares, the Rights Shares represented by such provisional allotments 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 interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Share Registrar or CDP in connection therewith. Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. 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 of the Rights Shares unless such offer, invitation or solicitation can lawfully be made without violating any regulation or other legal requirements in those territories.

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy the applications for Excess Rights Shares (if any) as the Directors may, in their absolute discretion, deem fit in the interest of the Company. All provisional allotments which are not taken up or allotted for any reasons, will be aggregated and allotted to satisfy the applications for Excess Rights Shares (if any) or disposed or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

TRADING

1. Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST subject to certain conditions. The approval in-principle of the SGX-ST is not an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries or the Shares.

Upon listing and quotation on the Official List of the SGX-ST, the Rights Shares, when allotted and issued save as disclosed in paragraph 2 below, will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights 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" as the same may be amended from time to time. Copies of the above are available from CDP.

2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares 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 Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the Rights Shares and the Excess Rights Shares and have their Rights Shares credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or 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 (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (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 share certificates for the Rights Shares allotted to them in their own names and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be forwarded to Entitled Scripholders by ordinary post at their own risk but 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 prima facie 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.

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

TRADING

3. Trading of Odd Lots

All entitlements not allotted or taken up for any reason, will be aggregated and allotted to satisfy applications, if any, for Excess Rights Shares or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

Shareholders should note that the Rights Shares are quoted on the SGX-ST in board lot sizes of 1,000 Rights Shares.

Entitled Depositors who wish to trade all or part of their provisional allotment of Rights Shares on the Official List of the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares.

Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the Official List of the SGX-ST.

CAUTIONARY FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its Directors, officers 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 such as, “without limitation”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other 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 strategies, plans and prospects 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 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 or warrants 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 Authority but before the Closing Date and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

RISK FACTORS

An investment in the Shares and the Rights Shares involve a high degree of risk. Shareholders should carefully evaluate each of the material risk factors relating to the Group described below together with all of the other information set forth in this Offer Information Statement. To the best of the Directors' knowledge and belief, all risk factors (save for those which have already been disclosed to the general public) which are material to Shareholders in making an informed judgment of the Rights Issue have been set out in this Offer Information Statement.

The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Directors which could materially affect the Group's operations. If any of the following considerations and uncertainties develops into actual events, the business, financial performance and prospects of the Group could be materially and adversely affected. In that event, the trading price of the Shares and/or Rights Shares could decline significantly, and Shareholders may lose all or part of their investment in the Shares and/or the Rights Shares.

*This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. Please see in particular the section entitled "**Cautionary Notes on Forward-Looking Statements**" of this Offer Information Statement relating to such forward-looking statements.*

RISKS RELATING TO OUR BUSINESS

We may be affected by a shortage or increase in the price of our supplies

For our projects, we procure raw materials or components from our customers and/or our approved list of suppliers. Some of these components may be sourced from a single supplier. If the suppliers are not able to supply the requisite materials or components on time and we are not able to buy from other suppliers in a timely manner, this will delay our manufacturing process and delivery to customers. As such, this may have an impact on our profit margins and our profitability.

Shortages in the supply of materials or components from time to time may result in an increase in the price of materials or components. In addition, the cost of certain materials or components such as metal and plastic resin depends mainly on their global supply and demand and/or technological changes.

Our business is dependent on the general state of the consumer electronics industry

Sales to customers in the consumer electronics industry for FY2013 accounted for a significant portion of our Group's turnover. To a certain extent, we are therefore dependent on the state of the electrical and electronics industry which may experience slowdowns. The industry may experience significant slowdown or fluctuations mainly due to the general state of the worldwide economy, the intense competition within the industry and rapid technological change. The loss of any of our key customers in this industry or reduced orders from any of them will have an adverse effect on our business and results of operations.

We are materially dependent on the hard disk drive industry

Our sales to hard disk drive manufacturers accounted for 63%, 65%, 57% and 59% of our total revenue for FY2011, FY2012, FY2013 and HY2014 respectively. Generally, there have been in the past, fluctuations in the demand and supply of products for the hard disk drive industry. Any material decrease in demand from our customers in the hard disk drive industry may have a material adverse impact on our business and financial performance. The hard disk drive industry

RISK FACTORS

is characterised by technological changes. Our inability or the inability of our customers to meet the technological changes and requirements of the hard disk drive industry may have a material adverse impact on our business and operations.

Our performance may be affected by the risk of the obsolescence of our stocks

We are exposed to the risk of stock obsolescence for both our finished goods and raw materials. There is no assurance that we will be able to reduce the amount of provision required for stock obsolescence in the future.

Our precision components division manufactures and supplies custom-made precision-machined components according to our customers' specifications. Sometimes, our components are manufactured based on the indicative orders or forecast of our customers. From time to time, our customers' forecast may not materialise fully either due to an earlier end-of-life cycle or the forecast volume being higher than the actual production. Under these circumstances, we could be holding inventory of finished goods which are not covered by purchase orders from our customers. Therefore, provision for stock obsolescence may be required.

We purchase most of our raw materials globally from overseas countries. Some of these raw materials have long lead times and high minimum order quantities, especially for non-standard or special grade or size materials. We sometimes order the materials in quantities that are in excess of the quantities required to cover confirmed orders from our customers. In the event that the orders from our customers fall short of forecast or our customers' products reach the end-of-lifecycle earlier than forecasted, provision for stock obsolescence may be required especially for nonstandard or special grade or size materials. This is because such materials are ordered specifically or the special requirements of certain customers and may not be commonly used by other customers.

Market price erosion may have a negative impact on our financial performance

Our customers in the electronics industry (including hard disk drives and consumer electronics) are facing continuous price erosion resulting from competitive pressure, particularly from lower priced personal computer products. Should prices continue their downward trend, our Group's customers may be adversely affected resulting in price erosion of our products, thus causing a negative impact on our financial performance.

Failure to remain competitive would affect the results of our operations

The markets we operate in are competitive. We expect to face more intense competition from existing competitors and/or new market entrants in the future, especially in the event our competitors engage in aggressive pricing in order to increase market share. Competition may also be caused by an excess supply of products arising from excess production capacity, or if there are competitors who are able to offer a wider range of products and services.

There is no assurance that we will be able to compete successfully in the future. For example, some of our competitors may be able to sell their products at more competitive prices while others may be able to attract customers by providing products and services which we do not currently offer. Any failure by us to be competitive would adversely affect our business and results of operations.

RISK FACTORS

We may incur late delivery charges in the event that we are unable to deliver our services on a timely basis

In providing services to our customers, our Group is contractually bound to meet the delivery dates provided for in the sales contracts with our customers. We may encounter situations where we may be unable to deliver our services in a timely manner to our customers. For instance, our delivery may be delayed due to late supply or shortage of materials and components from our suppliers or subcontractors.

In the event our Group is unable to deliver services within the agreed timeframe, and our customers seek legal recourse against us for such failure, we may be liable to compensate them for such late delivery. Accordingly, this may have an impact on our financial performance.

We rely on certain key personnel

Our success depends to a large extent on the continued efforts and involvement of our Chief Executive Officer and the heads of our respective business divisions. They have been instrumental in building our Company's business. They each have more than 20 years of experience in the industries we serve. The loss of the services of our key personnel without suitable and timely replacement will have a material and adverse impact on our business.

We may be affected by the shortage of skilled personnel and increasing cost of labour

There are competing demands for skilled personnel for our Group's businesses and in the event that we are unable to hire adequately skilled personnel and are required to train new staff, the time required to train such personnel may affect our cost competitiveness in the short run, which may in turn adversely affect our businesses and financial performance.

With regard to our operations, the increasing cost of labour may erode our profit margins and compromise our cost effectiveness. In the event that we are unable to effectively manage the increase to the cost of labour there would be a material adverse effect to our businesses and financial performance.

We are vulnerable to substitution by alternative packaging products

Demand for our foam plastics packaging products will be reduced in the event any of our customers decide to seek alternative packaging products. This, coupled with any new invention of alternative packaging products, will adversely affect our business and profitability.

We may be affected by an outbreak of Influenza A ("H1N1 flu"), avian influenza ("H7N9 flu"), severe acute respiratory syndrome ("SARS") or any other contagious disease or virulent disease

An outbreak of various communicable diseases, such as the H1N1 flu, the H7N9 flu and SARS, could materially and adversely affect our business. In the event that any of our employees or those of our customers or suppliers are infected or suspected of being infected with any communicable disease, we may be required by health authorities to temporarily shut down our premises or our customers' operations and quarantine employees to prevent the spread of the disease. This may result in delays in delivering our products and services, affect our servicing business and may have an adverse impact on our ability to meet our contractual obligations which may materially and adversely affect our business and financial performance.

RISK FACTORS

The Group operates regionally and is therefore affected by economic, regulatory, political and social conditions in various countries

The Group's business and future growth are dependent on the economic, regulatory and social conditions in the countries which it has business dealings in. External factors such as economic deterioration, financial crisis, terrorist attacks acts of war or geopolitical or social turmoil in countries that serve as markets for the Group's products or that the group operates in could materially and adversely affect its business and operating results.

In particular, as a major portion of the Group's revenues is derived from its business operations located in the PRC, any significant slowdown in the PRC economy or decline in demand for the Group's products in these economies will have a material adverse effect on its business, financial conditions and results of its operations.

The Group may be unable to maintain or obtain approvals or permits necessary to conduct its business

The Group may be required to obtain or renew applicable permits or approvals by regulatory authorities in order to conduct or continue its business in the various markets and jurisdictions it operates in. If the Group fails to obtain or renew any of the required permits or approvals, it may be subject to various penalties including fines and the discontinuation or restriction of its operations. Any such disruption to its operations could materially and adversely affect its business, financial condition and results of operations.

Our results may be adversely affected by fluctuations in foreign exchange currencies

As we transact with our suppliers and customers in various foreign currencies, we are exposed to certain levels of foreign exchange risks for transactions which are conducted in those currencies.

The Group may be required to impair goodwill and property, plant and equipment attributed to the HDD business

As disclosed in our 2013 Annual Report, for the purpose of impairment testing, goodwill is allocated to the Group's HDD business. The aggregate carrying amount of goodwill allocated and property, plant and equipment attributed to the HDD business as at the financial year ended 31 December 2013 is about S\$183.00 million (of which about S\$60.00 million is goodwill allocated).

As disclosed in our 2013 Annual Report, the estimated recoverable amount of the goodwill of the HDD business as at the financial year ended 31 December 2013 exceeded its carrying amount by approximately S\$0.70 million. Management has identified the revenue growth rate, the gross profit margin and the budgeted EBITDA growth rate as the key factors for which there could be a reasonably possible change that could cause the carrying amount of the goodwill to exceed the recoverable amount. Any circumstances that materially and adversely affect such factors would lead to impairment and could materially and adversely affect the Group's financial performance.

RISK FACTORS

RISKS RELATING TO THE RIGHTS ISSUE

Shareholders who do not or are not able to accept their provisional allotments of Rights Shares will experience a dilution in their shareholding interests in the Company

If Shareholders do not or are not able to accept their provisional allotments of Right Shares, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his “nil-paid” rights, or such “nil-paid” rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

The Rights Issue may affect the Share price

Due to the increase in the number of issued Shares under the Rights Issue and the financial effects of the Rights Issue, there can be no assurance that the price of the Shares will be maintained at the present level after the Rights Issue.

An active trading market in the “nil-paid” rights may not develop

An active trading market in the “nil-paid” rights may not develop on the SGX-ST during the trading period for such “nil-paid” Rights. In addition, because the trading price of the “nil-paid” rights depends on the trading price of the Shares, the price of the “nil-paid” rights may be volatile. In addition, Foreign Shareholders are not allowed to participate in the Rights Issue. The entitlements to the Rights Shares which would otherwise accrue to such Shareholders may be sold by the Company, which would cause the trading price of “nil-paid” rights to fall.

Investors may experience future dilution in the value of their Shares

The Company may need to raise additional funds in the future to finance the repayment of borrowings, business expansion and/or acquisitions and investments. If additional funds are raised through the issuance by the Company of new Shares other than on a pro-rata basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

The trading price of the Shares may be volatile

The market price for the Shares on the SGX-ST could be subject to significant fluctuations. Any such fluctuation may be due to the market’s perception of the likelihood of completion of the Rights Issue and/or be in response to various factors, some of which are beyond the Company’s control.

Such factors include but are not limited to:

- variation in our operating results;
- investors’ perception of our prospects;
- economic, stock and credit market conditions and sentiments; and
- general changes in rules or regulations with regard to the industry that we operate in, including those that affect the demand for our services.

RISK FACTORS

Any of the above events could result in a decline in the market price of the Shares during and after the Rights Issue.

The Issue Price is not an indication of the underlying value of the Shares

The Issue Price does not bear a direct relationship to the book value of our assets, operations, cash flow, earnings, financial condition or any other established criteria for valuation. Therefore Shareholders should not consider the Issue Price to be any indication of the Shares' underlying intrinsic value. The Shares may trade at prices lower than the Issue Price in the future.

TAKE-OVER LIMITS

The Takeover Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, where:

- (a) 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 parties acting in concert with him) carry 30.0% or more of the voting rights of the Company; or
- (b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights in the Company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1.0% of the voting rights,

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

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Takeover Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Securities Industry Council and/or their professional advisers immediately.

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

PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)

- 1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.**
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Name	Designation	Address
Lew Syn Pau	Chairman, Independent Director	26C Swiss Club Road Swiss Valley Singapore 288124
Lee Chow Soon	Independent Director	76 Taman Permata Yew Lian Park Singapore 575199
Eu Yee Ming Richard	Independent Director	12 Nassim Road #04-02 Beaufort on Nassim Singapore 258380
Wong Sheung Sze	Non-Executive Director	12 Peirce Road Singapore 248531
Wong Yi Jia	Alternate Director to Wong Sheung Sze	12 Peirce Road Singapore 248531
Lee Po Lo @ Lee Khong Kee	Non-Executive Director	27 Taman Serasi #03-31 Botanic Gardens View Singapore 257724
Ng Ah Hoy	Executive Director	30A Mangis Road Katong Apartments Singapore 424966

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

Issue Manager to the Rights Issue : Not applicable as no issue manager was appointed

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

Underwriter to the Rights Issue : Not applicable as the Rights Issue will not be underwritten

Legal Adviser to the Company in relation to the Rights Issue : Rodyk & Davidson LLP
80 Raffles Place
#33-00 UOB Plaza 1
Singapore 048624

3. Provide the names and addresses of the registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

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

Transfer Agent : Not applicable

Receiving Banker : United Overseas Bank Limited

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

PART III (OFFER STATISTICS AND TIMETABLE)

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

Method of offer	:	Renounceable non-underwritten rights issue of up to 55,472,483 Rights Shares at Issue Price, on the basis of two (2) Rights Shares for every fifteen (15) Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded.
Issue Price	:	S\$0.18 per Rights Share
Number of Rights Shares	:	Up to 55,472,483 Rights Shares are expected to be issued pursuant to the Rights Issue.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls on or before the date of allotment and issue of the Rights Shares.

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.**
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Please see paragraphs 3 to 7 below.

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

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 unknown 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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Offer period : Please refer to the section entitled “Indicative Timetable of Key Events” on page 13 of this Offer Information Statement for information in relation to the offer period.

Circumstances under which the Offer period may be modified : As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “Indicative Timetable of Key Events” on page 13 of this Offer Information Statement to be modified. However, the Company may with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

It is not anticipated that the period for which the Rights Issue will be kept open will be extended or shortened. An announcement will be made via SGXNET if there are any such changes.

Name and address of person to whom purchase or subscription to applications are to be submitted : Please refer to the procedures for, and the terms whom purchase or subscription and conditions applicable to, acceptance, renunciation applications are to be submitted and/or sales of the provisional allotment of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment as set out in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

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

Acceptances should be made in the manner set out in this Offer Information Statement as well as the applicable PAL, the ARE or the ARS to the persons named therein to the following address:

- (a) In the case of Entitled Depositors, by hand to **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED** at **9 NORTH BUONA VISTA DRIVE #01-19/20 THE METROPOLIS SINGAPORE 138588** or by post in the self-addressed envelope provided, at the sender's own risk, to **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED** at **ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**; and
- (b) In the case of Entitled Scripholders, to **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.** at **50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER SINGAPORE 048623**.

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

Applicable procedures for making payment

The Rights Shares are payable in full upon acceptance and application. The detailed procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the application for Excess Rights Shares, including the different modes of acceptances or application and payment are contained in Appendices A to C of this Offer Information Statement and in the PAL, the ARE and the ARS.

Time for payment

The last date and time for acceptances of the Rights Shares and/or application for Excess Rights Shares for Rights Shares and/or Excess Rights Shares and payment is on 22 September 2014 **at 5.00 p.m.** or, in the case of acceptances and/or Excess Application and payment through an ATM is on 22 September 2014 **at 9.30 p.m.**

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

5. State where applicable, the methods 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.
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The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 5 September 2014 by crediting the provisional allotments of Rights Shares into the Securities Accounts of the respective Entitled Depositors. The PALs will be despatched to Entitled Scripholders on 8 September 2014.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificates representing such number of Rights Shares will be sent by registered post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days from the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the PAL) with valid acceptances and successful applications of Excess Rights Shares and who have furnished valid Securities Account numbers in the relevant form(s), share certificate(s) representing such number of Rights Shares will be sent to CDP within ten (10) Market Days from the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. It is expected that CDP will then send a notification letter to the relevant subscribers, at the subscribers' own risk, stating the number of Rights Shares that have been credited to their Securities Account.

Please refer to Appendices A to C to this Offer Information Statement and the PAL, the ARE and the ARS 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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Not applicable. None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

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

- 7. Provide a full description of the manner in which results of the allotment or allocation of securities are to be made public and, where appropriate, the manner for refunding the excess amounts are paid by applicants (including whether interest will be paid).**
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The Company will publicly announce the results of the allotment or allocation of the Rights Shares, as soon as practicable after the Closing Date, via a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Manner of Refund

Where any acceptance of Rights Shares and/or Excess Application is invalid or unsuccessful in full or in part, 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 14 days after the Closing Date by any one or a combination of the following:

- (a) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the relevant applicant's own risk to the applicant's mailing address as maintained with CDP or, in such other manner as the relevant applicant may have agreed with CDP for the payment of any cash distributions;
- (b) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore (where the acceptance and/or application is through the Share Registrar) sent by ordinary post at the relevant applicant's own risk to the applicant's mailing address as maintained with the Share Registrar; or
- (c) by crediting the relevant applicant's bank accounts with the relevant Participating Bank (where acceptance and/or application is through Electronic Application) at their own risk, the receipt by such bank being a good discharge to the Company, and CDP of their obligations, if any, thereunder.

Please also refer to Appendices A to C to this Offer Information Statement for further details.

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

PART IV (KEY INFORMATION)

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

In the Minimum Subscription Scenario, the estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$0.22 million) is expected to be approximately S\$2.47 million.

In the Maximum Subscription Scenario, the estimated net proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$0.35 million) is expected to be approximately S\$9.64 million.

All net proceeds from the Rights Issue will be received by the Company.

- 3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**
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The Company intends to utilise the net proceeds of the Rights Issue (assuming the Maximum Subscription Scenario) of approximately S\$9.64 million as follows:

- (a) approximately S\$2.64 million, for the repayment of its current debts;

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

- (b) approximately S\$4.40 million, for general working capital purposes as follows:
 - (i) approximately S\$1.70 million to be earmarked for the precision machining section of the HDD business as part of the continuing business requirements following the Group's ongoing restructuring process and for the operation of the non-HDD business;
 - (ii) approximately S\$1.50 million to be earmarked for costs incurred for operating the Group's headquarters;
 - (iii) approximately S\$1.20 million to be earmarked for supporting the operations of the Group's foam plastics business; and
- (c) approximately S\$2.60 million, for capital expenditure as follows:
 - (i) approximately S\$1.10 million to be earmarked to acquire machines for the automation of the Group's HDD business;
 - (ii) approximately S\$0.10 million to be earmarked to acquire back-end processing machines for the Group's non-HDD business; and
 - (iii) approximately S\$1.40 million to acquire machines to support process and product efficiency improvements for the Group's foam plastics business.

As and when any significant amount of the proceeds is disbursed or deployed, the Company will make the necessary announcements on SGXNET and subsequently provide a status report on the use of such proceeds in its annual report. Pending the deployment of the proceeds for the use mentioned above, the proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may deem fit.

In the reasonable opinion of the Directors, no minimum amount must be raised from this Rights Issue.

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.

Assuming the Rights Issue is fully subscribed, for each dollar of the gross proceeds of approximately S\$9,985,047 to the Company from the Rights Issue, the Company will allocate and use:

- (a) approximately S\$0.264 for the repayment of its current debts;
- (b) approximately S\$0.441 for general working capital purposes;

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

- (c) approximately S\$0.260 for the capital expenditure to acquire machines for the Group's businesses; and
- (d) approximately S\$0.035 for fees and expenses incurred in connection with the Rights Issue.

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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.**
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Not applicable. The proceeds of the Rights Issue will not be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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Not applicable. The proceeds of the Rights Issue will not be used to finance or refinance the acquisition of another business.

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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.**
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Approximately S\$2.64 million, amounting to approximately 27.35% of the net proceeds will be used to partially repay the outstanding loan of US\$6.00 million owing by Compart Asia Pacific Ltd, a wholly owned subsidiary of the Company, to China CITIC Bank International Limited Singapore Branch pursuant to a loan agreement dated 30 July 2013. The loan is to be repaid in monthly instalments up to December 2014 and was used by the Group for working capital purposes.

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

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 the other placement or selling agents in relation to the offer and the persons 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 underwriters, placement or selling agents have been appointed for the Rights Issue.

9. Provide the following information:

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);

Registered office address	:	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Telephone number	:	(65) 6536-5355
Facsimile number	:	(65) 6536-1360
Principal place of business	:	3 Fusionopolis Way #13-26/27 Symbiosis Tower Singapore 138633
Telephone number	:	(65) 6236-0088
Facsimile number	:	(65) 6226-6119

- (b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;
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The Company was incorporated under the laws of Singapore on 28 July 1994. On 30 November 1994, the Company was admitted to the Mainboard of the SGX-ST.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries are the manufacturing of (a) foam plastics products and (b) precision machined components and the sub-assembly of components for the hard disk drive, mobile devices and semiconductor industries.

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

Further information on the principal activities of the subsidiaries of the Group as at the Latest Practicable Date are set out as follows:

Subsidiaries	Country of incorporation and principal place of business	Principal activities	Effective interests held by the Company (%)
Compart Asia Pte Ltd	Singapore	Investment holding	100
E-Pac International Pte Ltd	Singapore	Dormant	100
Shanghai Broadway Packaging & Insulation Materials Co., Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	96.47
Suzhou Broadway Plastic Packaging Co., Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	100
Broadway Packaging (HK) Co Ltd	Hong Kong	Marketing, trading and distribution of packaging products and related consulting services	100
Xinjiang Broadway Advanced Materials Co., Ltd	PRC	Dormant (Placed under voluntary liquidation)	60
Ningbo Broadway Plastic Packing Co., Ltd	PRC	Dormant	100
Held through Compart Asia Pte Ltd			
Compart Precision (Shenzhen) Co., Ltd	PRC	Manufacture of precision machined components	100
Compart Technologies (Shenzhen) Co., Ltd	PRC	Manufacture of precision machined components	100
Compart Hi-Precision Technologies (Shenzhen) Co., Ltd	PRC	Manufacture of precision machined components	100
Compart Hi-Precision Technologies (Suzhou) Co., Ltd	PRC	Dormant	100

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

Subsidiaries	Country of incorporation and principal place of business	Principal activities	Effective interests held by the Company (%)
Compart Precision Components Manufacturing (Wuxi) Co., Ltd	PRC	Manufacture of sub-assembly of actuator arms	100
Compart Asia Pacific Ltd	Republic of Mauritius	Distribution of precision machined components	100
Compart Engineering, Inc.	United States of America	Investment holding and trading	100
Compart Precision (Thailand) Co., Ltd	Thailand	Manufacturing sub-assembly of actuator arms	100
Compart Technologies (Chongqing) Co., Ltd	PRC	Manufacturing sub-assembly of actuator arms	100
Compart Technologies (Huizhou) Co., Ltd	PRC	Manufacture of precision machined components	100
Compart Precision (Vietnam) Co., Ltd	Vietnam	Dormant	100
Quantum International Ltd	Seychelles	Provision of professional human resource and consultancy services	100
Held through Shanghai Broadway Packaging & Insulation Materials Co., Ltd			
Wujiang Weltop Co., Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	96.47
Chengdu Broadway Foam Applications & Total Packaging Co., Ltd.	PRC	Manufacture of foam packaging products and expanded polystyrene related products	96.47
Chongqing Broadway Foam Applications & Total Packaging Co Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	96.47

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

Subsidiaries	Country of incorporation and principal place of business	Principal activities	Effective interests held by the Company (%)
Held through Suzhou Broadway Plastic Packaging Co., Ltd			
Wuxi Broadway Plastic Packaging Materials Co., Ltd	PRC	Dormant	100
Held through Broadway Packaging (HK) Co Ltd			
Shenzhen Broadway Total Packaging Co., Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	100
Held through Compart Engineering, Inc			
Compart Engineering, LLC.	United States of America	Design, research and development, marketing and manufacture of precision machined components	48 ⁽¹⁾

Note:

- (1) Compart Engineering, LLC. is a subsidiary of the Company pursuant to section 5 of the Companies Act as the Group controls the composition of the board of directors of Compart Engineering, LLC. through Compart Engineering, Inc.

Further information on the principal activities of the associated companies of the Group as at the Latest Practicable Date are set out as follows:

Associated Companies	Country of incorporation and principal place of business	Principal activities	Effective interests held by the Company (%)
Toho Foam (Thailand) Company Limited	Thailand	Foam manufacturing business	24.22

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Associated Companies	Country of incorporation and principal place of business	Principal activities	Effective interests held by the Company (%)
Held through Shanghai Broadway Packaging & Insulation Materials Co., Ltd			
Shanghai Kiddy Children's Products Co., Ltd	PRC	Wholesale of child care seats, children's carts, related children's products, commission agent (except of auction), import-export and related supporting services	38.59
Held through Wujiang Weltop Co., Ltd			
Wujiang Dairyu Broadway Plastic Packaging Co., Ltd	PRC	Manufacture of foam packaging products and expanded polystyrene related products	47.27
Held through Broadway Packaging (HK) Co., Ltd			
Broadway Rompa (Hong Kong) Limited	Hong Kong	Provision of thermoforming solutions for consumer markets in China	50

(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or
 - (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

General Developments in FY2011

On 4 March 2011, the Company granted share options and share awards, amounting to 100,000 share options and 527,000 share awards at S\$0.985 per option and share (as the case may be), pursuant to the BIGL Share Option Scheme 2011 and the BIGL Share Plan. Adjustments to the share awards and share options were also made consequent to the Proposed Share Issue (as defined below).

On 1 April 2011, Shanghai Broadway Packaging & Insulation Materials Co., Ltd (“**SHBW**”), a subsidiary of the Company, had entered into a conditional sale and purchase agreement with unrelated third parties to purchase from them the entire equity interest in Wujiang Weltop Co. Ltd for a consideration of RMB33.80 million, which was in line with the Company’s strategy to expand its foam plastics division’s presence in key manufacturing hubs in the PRC.

In May 2011, the Company granted share awards and share options, amounting to 210,000 shares at S\$0.270 per Share for the share awards and 100,000 share options at S\$1.02 per option, pursuant to the BIGL Share Plan and the BIGL Share Option Scheme 2011 respectively. Adjustments to the share options and share awards were also made consequent to the Proposed Bonus Share Issue (as defined below).

On 30 May 2011, the Company completed the listing and quotation of 208,221,064 new Shares (comprising 207,981,064 new Shares and 240,000 treasury shares) pursuant to a proposed bonus share issue announced in February 2011 on the basis of one bonus new ordinary share (“**Bonus Shares**”) to every one existing Share (including treasury shares) held as a books closure date determined by Directors (“**Proposed Bonus Share Issue**”). Following the allotment and issue of the Bonus Shares, the total number of issued Shares increased from 208,221,064 Shares to 416,442,128 Shares (including treasury shares that increased from 240,000 treasury shares to 480,000 treasury shares).

In 4Q2011, the Group’s HDD Components Division was affected by severe flooding in Thailand which resulted in temporary closure of the Group’s HDD components factories under Compart Precision (Thailand) Co., Ltd (“**CPT**”), as a safety precaution against the Thailand flood crisis.

On 17 October 2011, the Company announced that unrealised losses from the changes in fair value of certain foreign exchange contracts resulted in a net loss for 3Q2011.

In the opinion of the Directors, the Thailand flood crisis had resulted in disruption to the HDD supply chain in Thailand, which accounted for more than a third of the global HDD production and resulted in a downturn in the industry. The Group was affected by such downturn and suffered impairment charges and operational losses in 4Q2011.

In 4Q2011, the Group’s HDD Components Division shifted its back-end processes and commenced operations in lower cost areas in the PRC. The Group had also ceased loss-making facilities of its Foam Plastics Division and established new operations in growth regions in the PRC.

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

General Developments in FY2012

On March 2012, the Company reopened the Company's HDD components factories in Thailand. The Company had resumed production at one of its two factories under CPT, with the second factory opening in May 2012.

In 2Q2012, the Company granted share awards, amounting to 165,000 shares at S\$0.445 per Share, 310,000 at S\$0.415 per Share and 405,000 at S\$0.330 per Share, pursuant to the BIGL Share Plan. On 29 May 2012, the Company disposed the Company's entire 2.69% shareholding in Jebesen & Jessen Packaging (S) Pte Ltd ("**JJP**") for a total consideration of S\$1,165,338.55. The cost of the investment for the Company's 2.69% shareholding in JJP was S\$560,505.00.

On 9 July 2012, the Company entered into a sale and purchase agreement ("**SPA**") with Key Man Avenue Sdn Bhd (the "**Seller**"), Yew Soon Keong and Ang Ewe Jin (together the "**Other Parties**") for the acquisition by the Company from Seller of 8,159,000 ordinary shares in Millennium Arena Sdn Bhd (the "**Target Company**"), representing 70.00% of the total and issued paid-up share capital of the Target Company, for approximately RM50.80 million ("**Consideration**"). The SPA lapsed in October 2012 due to the non-satisfaction of certain conditions precedent in the SPA. In connection with such lapse the Company took steps to recover the deposit that it had paid for the Consideration, which amounted to RM5,084,000.00 together with accrued interest ("**Relevant Amount**") from the Seller.

In July 2012, the Company announced the grant of share awards, amounting to 30,000 shares at S\$0.350 per Share, pursuant to the BIGL Share Plan.

In the opinion of the Directors, the HDD industry and the foam plastics industry experienced a downturn in FY2012, with such downturn adversely affecting the business of the Group, in particular in 3Q2012 where orders received by the Group for HDD components had declined steeply by 11.00% to 139.20 million units compared to 3Q2011.

In the opinion of the Directors, the Non-HDD business was also affected by a slowdown in the semi-conductor and automotive industries in 2H2012. The management team had stabilised its cost model and completed the consolidation of its facilities into Shenzhen by the end of FY2012, so as to operate on a lean structure through the down-cycle of the industry.

General Developments in FY2013

As the Company did not receive the refund of the Relevant Amount from the Seller, the Company issued a notice of arbitration on 11 January 2013 to the Seller to commence arbitration proceedings for the refund of the Relevant Amount. A settlement agreement ("**Settlement Agreement**") between the Company and the Other Parties and the Seller dated 24 April 2013 was entered into to settle all claims, legal actions, suits or proceedings in connection with the SPA. Pursuant to the Settlement Agreement, RM1.80 million of the Relevant Amount was to be retained by the Seller with the rest to be refunded to the Company.

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The Company transferred 27,500 treasury shares on 10 May 2013, valued at S\$11,312.51, to eligible participants of the BIGL Share Plan in connection with the vesting of 27,500 Shares in accordance with the BIGL Share Plan.

On 13 June 2013, the Company (as guarantor), together with its subsidiaries Compart Asia Pte Ltd (as guarantor) and Compart Asia Pacific Limited (as borrower), entered into a facility agreement (the “**Facility Agreement**”) with DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) and Standard Chartered Bank, as mandated lead arrangers and original lenders, and HSBC as the facility agent for a term loan facility of an aggregate of US\$55,500,000.00 for a term of 60 months after the date of the Facility Agreement, and a revolving loan facility of an aggregate of US\$10,000,000.00 for an initial term of 36 months after the date of the Facility Agreement with an option to extend the term by 24 months in accordance with the Facility Agreement. The new facilities were used by the Group to refinance its existing US\$24,000,000.00 loan facility with HSBC, indirectly refinance the existing indebtedness of the Group and finance the Group’s working capital and its general corporate funding purposes.

In 2Q2013, the Company granted share awards amounting to 315,000 at S\$0.330 per Share and 262,000 Shares at S\$0.305 per Share, pursuant to the BIGL Share Plan.

On 10 July 2013, SHBW had sold its entire 100.00% stake in Aidewu (Tianjin) Technology Ltd. (“**TJBW**”) to Yao Cun Feng, Wang Wu Ji and Zhang Ying Ming for an aggregate consideration of RMB3,174,428.21. Following the completion of the disposal, TJBW ceased to be a subsidiary of the Company.

On 5 November 2013, Compart Asia Pte Ltd (“**Compart Asia**”), a wholly owned subsidiary of the Company, completed the disposal of the property located at #15-96 The Central, 8 Eu Tong Sen Street, Singapore to Ji Nan for a consideration of S\$2,567,766.00. The disposal was pursuant to an option agreement dated 20 August 2013 between Compart Asia and Ji Nan.

On 19 December 2013, SHBW entered into a joint venture agreement (the “**JVA**”) with KAEFER Service-und Wartungs-GmbH (“**KAEFER**”), to incorporate KAEFER Broadway Insulation Systems (Shanghai) Co. Ltd (the “**JV Co**”), a limited liability company incorporated in the PRC.

General Developments from 1 January 2014 to the Latest Practicable Date

On 6 January 2014, the Company increased the registered capital of its subsidiaries SHBW and Compart Hi-Precision (Suzhou) Co., Ltd, from US\$5,255,000.00 to US\$17,255,000.00 and US\$8,000,000.00 to US\$9,964,127.93 respectively.

The Company transferred 173,000 treasury shares on 4 March 2014, valued at S\$71,165.96, to eligible participants of the BIGL Share Plan in connection with the vesting of 173,000 Shares, in accordance with the BIGL Share Plan.

The Company completed the disposal of the property located at #15-97 The Central, 8 Eu Tong Sen Street, Singapore to Chew Poh Guan for a consideration of S\$4,200,000.00 on 25 March 2014. The disposal was pursuant to an option agreement dated 7 January 2014 between the Company and Chew Poh Guan.

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On 30 March 2014, the Company announced that the Company responded to queries from the SGX-ST on 28 March 2014 in relation to the unusual volume movements in the Company's shares. The Company also announced that the unusual trading activity was because the Company was from time to time approached by parties in relation to transactions involving its business and/or shares. However, these discussions were only at a preliminary stage, and there was no certainty or assurance that any transaction would actually materialise.

The Company placed its 60.00%-owned subsidiary, Xinjiang Broadway Advanced Materials Co. Ltd. under voluntary liquidation on 11 April 2014. This was not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for FY2014.

On 13 June 2014, the Company announced the resignation of Mrs Wendy Soh as its Chief Financial Officer with effect from 13 June 2014 and the appointment of Mr David Tan Thay Wooi as its Chief Financial Officer with effect from 16 June 2014.

In 2Q2014, the Company granted share awards amounting to 430,000 Shares at S\$0.270 or S\$0.275 per Share (as the case may be), pursuant to the BIGL Share Plan.

Between 1 January 2014 and the Latest Practicable Date, the Company transferred an aggregate of 338,000 treasury shares, valued at an aggregate of S\$139,041.01 to eligible participants of the BIGL Share Plan in connection with the vesting of an aggregate of 338,000 Shares to such participants.

On 1 August 2014, the Company announced the proposed Rights Issue.

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

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

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

As at the Latest Practicable Date, the share capital and loan capital of the Company comprise:

Issued and Paid-up Share Capital	:	S\$103,443,857.63
Number of ordinary shares in issue	:	416,043,628
Number of treasury shares	:	398,500
Loan Capital	:	Nil

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(e) where –

- (i) the relevant entity is a corporation, state 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, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the Latest Practicable Date
-

The Substantial Shareholders and their interests as at the Latest Practicable Date, as recorded in the Register of Substantial Shareholders kept by the Company under Section 88 of the Companies Act are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Wong Sheung Sze ⁽¹⁾	70,456,890	16.93	79,691,884	19.15
Lew Syn Pau	17,728,800	4.26	21,600,000	5.19
Substantial Shareholders (other than Directors)				
Delta Lloyd Asset Management NV ⁽²⁾	–	–	37,610,000	9.04

Notes:

- (1) Mr Wong Sheung Sze is the beneficial owner of the 79,691,884 Shares held by Citibank Nominees Singapore Pte Ltd.
 - (2) Delta Lloyd Asset Management NV is deemed to be interested in the 37,610,000 Shares held by Delta Lloyd Azie Deelnemingen Fonds N.V. (custodian being KAS Bank K.V.) and Delta Lloyd L Asian Participation Fund (custodian being Banque de Luxembourg S.A.).
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- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the twelve (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;
-

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, as at the date of lodgement of this Offer Information Statement, our Directors are not aware of any legal or arbitration proceedings, including those which are pending or known to be contemplated, which

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

may have, or which have had in the twelve (12) months preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group taken as a whole.

(g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the Latest Practicable Date:-

- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests;**
-

No securities or equity interests have been issued for cash or services within the twelve (12) months immediately preceding the Latest Practicable Date.

The Company had also on:

- (a) 4 March 2014, transferred 173,000 treasury shares pursuant to the BIGL Share Plan to eligible employees;
- (b) 4 April 2014, transferred 25,000 treasury shares pursuant to the BIGL Share Plan to eligible employees;
- (c) 4 May 2014, transferred 210,000 treasury shares pursuant to the BIGL Share Plan to eligible employees;
- (d) 5 May 2014, transferred 53,750 treasury shares pursuant to the BIGL Share Plan to eligible employees;
- (e) 4 June 2014, transferred 220,000 treasury shares pursuant to the BIGL Share Plan to eligible employees;
- (f) 4 June 2014, transferred 78,750 treasury shares pursuant to the BIGL Share Plan to eligible employees; and
- (g) 18 July 2014, transferred 7,500 treasury shares pursuant to the BIGL Share Plan to eligible employees.

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- (h) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years before 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.**
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Save as disclosed in Part IV, paragraph 9(c) of this Offer Information Statement, as at the Latest Practicable Date, the Directors are not aware of any material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group within two (2) years immediately preceding the date of lodgement of this Offer Information Statement.

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

PART V (OPERATING AND FINANCIAL REVIEW AND PROSPECTS)

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.
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 in addition include the following items:
- (a) dividends declared per share in both currency of the financial statements and the Singapore currency, including the formula used for any adjustments 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.
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The audited consolidated income statements of the Group for FY2011, FY2012, FY2013 and the unaudited consolidated income statements of the Group for HY2014 are set out below:

Consolidated Income Statement

	Unaudited			Audited	
	HY2014 S\$'000	HY2013 S\$'000	FY2013 S\$'000	FY2012 S\$'000	FY2011 S\$'000
Revenue	322,926	303,769	644,662	615,735	541,469
Cost of sales	(298,766)	(277,218)	(588,304)	(564,985)	(481,971)
Gross profit	24,160	26,551	56,358	50,750	59,498
Other income	3,804	6,258	13,347	36,782	12,416
Distribution expenses	(7,798)	(8,155)	(16,545)	(15,850)	(12,067)
Administrative expenses	(16,214)	(13,105)	(28,674)	(29,093)	(26,382)
Sales and marketing expenses	(3,904)	(4,684)	(10,091)	(10,081)	(10,515)

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	Unaudited			Audited	
	HY2014 S\$'000	HY2013 S\$'000	FY2013 S\$'000	FY2012 S\$'000	FY2011 S\$'000
Other expenses	(4,671)	(1,847)	(1,948)	(4,389)	(26,395)
Results from operating activities	(4,623)	5,018	12,447	28,119	(3,445)
Finance income	316	307	642	660	793
Finance expenses	(3,772)	(3,228)	(7,238)	(5,281)	(3,187)
Net finance expenses	(3,456)	(2,921)	(6,596)	(4,621)	(2,394)
Share of profit of associates, net of tax	75	131	273	161	65
(Loss)/Profit before income tax	(8,004)	2,228	6,124	23,659	(5,774)
Tax credit/(expense)	8,625	(1,396)	(4,216)	742	(1,641)
Profit/(Loss) for the period	621	832	1,908	24,401	(7,415)
Attributable to:					
Equity holders of the Company	508	675	1,635	24,501	(7,211)
Minority interest	113	157	273	(100)	(204)
Net profit/(loss)	621	832	1,908	24,401	(7,415)
Earnings/(Loss) per share (cents) before the Rights Issue					
– Basic ⁽¹⁾	0.122	0.162	0.393	5.897	(1.735)
– Diluted ⁽²⁾	0.122	0.162	0.392	5.874	(1.735)
Earnings/(Loss) per share (cents) after adjusting for the Rights Issue ⁽³⁾					
– Basic	0.108	0.143	0.347	5.202	(1.531)
– Diluted	0.107	0.143	0.346	5.185	(1.531)
Dividend per share (cents)	Nil	Nil	Nil	1.0	1.5

Notes:

- (1) Calculated based on the weighted average number of Shares of 415,859,327 in HY2014, 415,620,261 in HY2013, 415,663,295 in FY2013, 415,486,128 in FY2012 and 415,573,178 in FY2011.
- (2) Calculated based on the weighted average number of Shares of 417,540,227 in HY2014, 417,407,523 in HY2013, 417,543,122 in FY2013, 417,075,114 in FY2012 and 415,573,178 in FY2011.
- (3) Basic and diluted earnings/(loss) per share are calculated based on the weighted average number of Shares in note (1) above and adjusted for the issue of 55,472,483 Rights Shares.

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

3. In respect of –

- (a) each financial year (being one of the three (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 the relevant entity 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 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.

FY2012 vs FY 2011

Revenue and Gross Profit

The Group's revenue increased 13.70% year-on-year (“yoy”) to S\$615.70 million for FY2012 mainly due to higher foam plastics and HDD sales. Sales from the foam plastics division grew 13.60% yoy to S\$173.00 million due to growth in the protective packaging and automotive components segments.

Sales from the HDD business increased 16.60% yoy to S\$399.80 million in FY2012. The increase is due to the lower HDD sales in FY2011 as a result of the Thailand flood.

Sales from the non-HDD business declined 7.50% yoy to S\$42.90 million in FY2012 due to contraction in the semi-conductor industry.

Gross profit declined 14.70% yoy to S\$50.80 million in FY2012, representing a lower gross profit margin of 8.20% in FY2012 as compared to 11.00% in FY2011. The decline in gross profit margin is primarily due to higher operating expenses in the HDD business and an increase in the minimum wage in China across the various business units. The Group expanded its HDD manufacturing sites in anticipation of higher demand for the actuator arms after the Thailand floods in 1H2012. However, the Group was affected by the sudden unforeseen decline in the HDD business in 2H2012.

Other Income

The Group recorded other income of S\$36.80 million in FY2012. This is mainly due to a fair value gain of S\$18.30 million from the Group's forward and derivative contracts as well as proceeds of S\$13.30 million in insurance claims due to the Thailand flood.

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

Operating Expenses

The Group's distribution expenses increased 31.30% yoy to S\$15.90 million in FY2012 due to higher foam plastics and HDD sales.

Administrative expenses increased 10.30% yoy to S\$29.10 million in FY2012 as the Group increased its head count to cope with the expanded scope of operations.

Sales and marketing expenses decreased 4.10% yoy to S\$10.10 million in FY2012 as the Group was able to lower sales related expenses.

Other expenses declined 83.40% yoy to S\$4.40 million in FY2012 due to the absence of unrealised mark-to-market forex loss in FY2011.

Finance Costs

Finance cost increased 65.70% yoy to S\$5.30 million in FY2012 due to an increase in the Group's borrowings which was used to fund its capacity and geographical expansion during the year.

Net Profit/Loss

Overall, the Group recorded a net profit of S\$24.50 million attributable to shareholders in FY2012 as compared to a net loss of S\$7.20 million in FY2011.

FY2013 vs FY2012

Revenue and Gross Profit

The Group's revenue increased 4.70% yoy to S\$644.70 million from S\$615.70 million for FY2013. The increase was mainly attributable to higher sales from the foam plastics division and non-HDD segments in the components division.

Sales from the foam plastics division increased by 13.60% yoy to S\$196.50 million in FY2013 due to growth in protective packaging and automotive components segments while sales from the non-HDD business segments in the components division increased significantly by 81.50% yoy to S\$77.90 million in FY2013 compared to S\$42.90 million in FY2012 due to higher demand from the semi-conductor industry and consumer devices.

Sales from the HDD business segment decreased by 7.40% yoy to S\$370.30 million compared to S\$399.80 million due to a general decline in demand for the PC segment of the HDD industry.

Gross profit for FY2013 increased by 11.10% to S\$56.40 million yoy from S\$50.80 million in FY2012 with a slightly higher gross profit margin of 8.70% for FY2013 compared to 8.20% for FY2012. The increase in gross profit margin was primarily due to the improved sales performance of the non-HDD business segments.

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Other Income

The Group recorded Other Income of S\$13.30 million in FY2013. It was mainly from realised foreign exchange gains and proceeds from the divestment of rental property.

Operating Expenses

The Group's distribution expenses increased by 4.40% yoy to S\$16.50 million in FY2013. The percentage increase was approximately comparable to the increase in revenue of 4.70% for FY2013.

Administration expenses had declined by 1.40% yoy to S\$28.7 million in FY2013 from S\$29.10 million due to the Group's cost control measures.

Other expenses decreased by 55.60% yoy to S\$1.90 million in FY2013 from S\$4.40 million in FY2012 due to the absence of foreign exchange losses recognised in FY2012.

Finance Costs

Finance costs increased by 37.10% yoy in FY2013 to S\$7.20 million from S\$5.30 million in FY2012 due to increased borrowings to fund expansion of capacity.

Tax Expense

Tax expense for FY2013 increased to S\$4.20 million compared to a tax credit of S\$0.70 million in FY2012 due to a significant reduction in deferred tax credit and S\$1.40 million under provision for prior years.

Net Profit

The Group recorded a decreased net profit of S\$1.60 million for FY2013 compared to S\$24.50 million in FY2012 mainly due to the absence of one-off gains in Other Income in FY2012 from fair value gain on financial derivatives and proceeds from insurance claims for the Thailand floods.

HY2014 (unaudited) vs HY2013 (unaudited)

Revenue and Gross Profit

The Group's revenue increased by 6.30% yoy to S\$322.90 million in HY2014 as compared to S\$303.80 million in HY2013. The increase was mainly due to higher revenue from the components division.

Revenue from the components division increased by 9.00% yoy to S\$232.20 million in HY2014. However, revenue from the foam plastic division decreased marginally by 0.10% yoy to S\$90.70 million. The decrease in revenue from the packaging segment was mitigated by the increase in revenue from the insulation and components segments of the foam plastic division.

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Gross profit in HY2014 decreased by 9.00% yoy to S\$24.20 million as compared to S\$26.60 million in HY2013 mainly due to the change in sales mix for the foam plastic division which resulted in a gross margin of 7.50% in HY2014 compared to 8.70% in HY2013.

Other Income

The Group recorded Other Income of S\$3.80 million in HY2014 as compared to S\$6.30 million in HY2013. For HY2014, the source of Other Income was mainly from the disposal of obsolete equipment and asset held for sale

Operating Expenses

The Group's distribution expenses decreased by 4.40% yoy to S\$7.80 million in HY2014 as compared to S\$8.20 million in HY2013 mainly due to savings resulting from improved logistics management in the HDD segment of the components division.

Distribution expenses for the HDD segment decreased by 20.60% yoy to S\$2.60 million in HY2014 as compared to S\$3.20 million in HY2013.

Administrative expenses increased by 23.70% yoy to S\$16.20 million in HY2014 as compared to S\$13.10 million in HY2013 primarily due to redundancy expenses related to the streamlining of production processes in the HDD segment of the components division and the closure of the Chengdu factory in the foam plastics division.

Sales and marketing expenses decreased by 16.70% yoy to S\$3.90 million in HY2014 due to a reduction in revenue related expenses for the foam plastics division.

Other expenses increased 152.90% yoy to S\$4.70 million in HY2014 mainly due to unrealised mark-to-market fair value loss on financial derivatives.

Finance Costs

Finance costs increased 16.90% yoy to S\$3.80 million in HY2014 due to increased borrowings for the Group.

Loss/Profit before Income Tax

The Group recorded a loss of S\$8.00 million in HY2014 as compared to a profit of S\$2.2 million in HY2013 mainly due to the increase in administrative expenses incurred to streamline the HDD segment's operations and unrealised mark-to-market fair value loss on financial derivatives.

Tax Credit/Expense

The Group recorded a tax credit of S\$8.60 million for HY2014 as compared to a tax expense of S\$1.40 million in HY2013, mainly due to a reversal of excess income tax provisions for prior years which are no longer subject to assessment.

Net Profit

Due to the above factors, the Group recorded a profit after tax and minority interest of S\$0.60 million in HY2014 as compared to S\$0.80 million in HY2013.

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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; and
- (b) if interim financial statements have been published for any subsequent period, that period.
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.

Statement of Financial Position

	Unaudited	Audited	
	HY2014	FY2013	FY2012
	S\$'000	S\$'000	S\$'000
Assets			
Property, plant and equipment	198,940	213,316	217,586
Goodwill	59,219	60,052	57,957
Investment properties	–	–	3,317
Associates	1,335	1,368	1,198
Loan to investee companies	–	–	731
Other investments	1,024	1,024	1,024
Deferred tax assets	13,201	14,283	12,325
Non-current assets	273,719	290,043	294,138
Loan to an investee company	746	757	–
Financial derivatives	91	365	363
Inventories	87,638	93,325	93,095
Trade and other receivables	144,950	146,481	127,325
Cash and cash equivalents	15,739	36,171	17,556
Asset held for sale	–	2,170	–
Current assets	249,164	279,269	238,339
Total assets	522,883	569,312	532,477

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

	Unaudited	Audited	
	HY2014	FY2013	FY2012
	S\$'000	S\$'000	S\$'000
Equity			
Share capital	103,444	103,448	103,446
Reserves	(29,031)	(23,825)	(33,152)
Retained earnings	140,264	139,756	138,121
Equity attributable to owners of the Company	214,677	219,379	208,415
Non-controlling interests	1,282	1,632	1,254
Total equity	215,959	221,011	209,669
Liabilities			
Finance derivatives	2,315	–	290
Loans and borrowings	64,509	86,627	63,265
Trade and other payables	–	–	33,685
Deferred tax liabilities	238	249	272
Non-current liabilities	67,062	86,876	97,512
Financial derivatives	2,101	–	98
Loans and borrowings	95,479	90,815	86,567
Trade and other payables	140,089	155,983	125,262
Deferred tax liabilities	2,193	14,627	13,369
Current liabilities	239,862	261,425	225,296
Total liabilities	306,924	348,301	322,808
Total equity and liabilities	522,883	569,312	532,477
NAV			
Number of shares ('000)	416,036	415,706	415,486
NAV per share (cents)	51.60	52.77	50.16
NAV after Rights Issue (SGD'000)	224,312	229,014	218,050
NAV per Share after Issue ⁽¹⁾ (cents)	47.57	48.60	46.30
Number of Shares after Right Issue ⁽²⁾ ('000)	471,509	471,178	470,959

Notes:

(1) Based on Net Proceeds of approximately S\$9,635,047.

(2) Calculated based on 55,472,483 Rights Shares.

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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.
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Consolidated Statement of Cash Flows

	Unaudited HY2014 S\$'000	Audited FY2013 S\$'000
Cash flow from operating activities		
(Loss)/Profit before tax	(8,004)	6,124
Adjustments for:		
Depreciation on investment properties	–	69
Depreciation on property, plant and equipment	20,003	44,060
Equity-settled share-based payment transactions	(7)	199
Fair value loss/(gain) change on financial derivatives	4,256	(387)
(Gain)/Loss on disposal of property, plant and equipment	(666)	23
Gain on disposal of an investment property	–	(1,457)
Gain on disposal of an asset held for sale	(1,939)	–
Impairment loss on loan to investee companies	95	427
Interest expense	3,772	7,238
Interest income	(316)	(642)
Share of profit of associates, net of income tax	(75)	(273)
	<hr/>	<hr/>
	17,119	55,381
Change in inventories	3,927	3,428
Change in trade and other receivables	(3,423)	(12,717)
Change in trade and other payables	(9,793)	27,825
	<hr/>	<hr/>
Cash generated from operating activities	7,830	73,917
Income tax paid	(2,871)	(4,709)
	<hr/>	<hr/>
Net cash (used in)/from operating activities	4,959	69,208

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	Unaudited HY2014 S\$'000	Audited FY2013 S\$'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(12,045)	(69,874)
Interest received	183	339
Proceeds from disposal of property, plant and equipment	886	683
Proceeds from disposal of an investment property	–	2,562
Proceeds from disposal of the asset held for sale	4,109	–
Net cash used in investing activities	(6,867)	(66,290)
Cash flows from financing activities		
Interest paid	(3,772)	(7,238)
Proceeds from bank borrowings	26,804	150,328
Repayments of bank borrowings	(41,226)	(129,022)
Net cash from financing activities	(18,194)	14,068
Net (decrease)/increase in cash and cash equivalents	(20,102)	16,986
Cash and cash equivalents at beginning of the period*	36,166	17,551
Effect of exchange rate fluctuations on cash held	(330)	1,629
Cash and cash equivalents at end of the period*	15,734	36,166

* A fixed deposit of S\$5,000, which was pledged as security to obtain credit facilities, was excluded from the cash and cash equivalents at end of period.

Review of cash flows for FY2013

The Group generated cash from operating activities of S\$73.90 million in FY2013 and utilised S\$4.70 million for payment of income tax.

Net cash used in investing activities was S\$66.30 million. Cash was used to fund the acquisition of property, plant and equipment of S\$69.90 million, partially offset by interest received, proceeds from the disposal of property, plant and equipment as well as the disposal of investment property of S\$0.30 million, S\$0.70 million and S\$2.60 million, respectively.

Net cash from financing activities was S\$14.10 million. This was due to funds received from bank borrowings of S\$150.30 million partially offset by repayments of bank borrowings and interest payments of S\$129.00 million and S\$7.20 million, respectively.

As a result, cash and cash equivalents increased to S\$36.20 million as at 31 December 2013 from S\$17.60 million as at 31 December 2012.

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

Review of cash flows for HY2014

The Group had a positive cash flow from its operating activities of S\$7.80 million. S\$2.90 million was used for the payment of income tax.

Net cash used in investing activities was S\$6.90 million. Cash was used to fund the acquisition of property, plant and equipment of S\$12.10 million, partially offset by interest received, proceeds from the disposal of property, plant and equipment and proceeds from the divestment of the asset held for sale of S\$0.20 million, S\$0.80 million and S\$4.10 million respectively.

Net cash used in financing activities was S\$18.20 million. This was due to repayments of bank borrowings and payment of interest of S\$41.20 million and S\$3.80 million respectively and partially offset by funds received from bank borrowings of S\$26.80 million.

As a result, cash and cash equivalents decreased to S\$15.70 million as at 30 June 2014 from S\$36.20 million as at 31 December 2013.

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- 7. Provide a statement by the directors or equivalent persons of the relevant entity 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.**
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Our Directors are of the opinion that, after taking into account the Group's internal sources, operating cash flows and banking facilities, the Group's working capital as at the date of lodgement of this Offer Information Statement is sufficient to meet our present funding requirements.

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- 8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide:**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan;**
 - (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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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

As at the Latest Practicable Date, the Group has entered into, among others, the following loan agreements:

- (a) facility agreement between the Company (as guarantor), Compart Asia (as guarantor), Compart Asia Pacific Limited (“**CAPL**”) (as borrower), DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited and Standard Chartered Bank (“**SCB**”) dated 13 June 2013, for a term loan facility of an aggregate of US\$55,500,000.00 for a term of 60 months, and a revolving loan facility of an aggregate of US\$10,000,000.00 for an initial term of 36 months with an option to extend for a further 24 months (the “**Club Loan Agreement**”);
- (b) facility agreement between CAPL and SCB pursuant to a facility letter dated 22 March 2012 (and as amended by the supplemental facility letter dated 27 June 2012) for a loan facility of US\$15,000,000.00, payable over 60 equal monthly instalments (the “**SCB Loan Agreement**”);
- (c) facility agreement between CAPL and United Overseas Bank Limited dated 18 March 2014 for a loan facility of up to US\$16,200,000.00, payable over quarterly instalments over three years (the “**UOB Loan Agreement**”); and
- (d) facility agreement between CAPL (as borrower), the Company (as guarantor) and Compart Asia (as guarantor) and China CITIC Bank International Limited Singapore Branch dated 30 July 2013 (as amended by the amendment deed between the parties dated 1 July 2014) for a loan facility of US\$10,000,000.00 repayable in monthly instalments up to December 2014 (the “**CITIC Loan Agreement**”),

(collectively, the “**Loan Agreements**”).

The Loan Agreements contain, among others, the following debt covenants:

- (i) in respect of the Club Loan Agreement and the CITIC Loan Agreement:
 - A. the Group shall maintain a ratio of EBITDA to total debt service of not less than 1.75 to 1; and
 - B. the net funded debt over EBITDA of the Group shall not exceed 3 times in 2013, and 2.5 times in 2014;
- (ii) in respect of the SCB Loan Agreement, the Group shall maintain a debt service coverage ratio of greater than 1.5; and
- (iii) in respect of the UOB Loan Agreement:
 - A. the net funded debt over EBITDA of the Group shall not exceed 3 times in 2014; and
 - B. the Group shall maintain a ratio of EBITDA to total debt services of not less than 1.25 in 2014.

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

As at 31 December 2013 and/or 30 June 2014, the Group breached the debt covenants set out above. The Group has obtained waivers from each of the relevant banks in respect of such breaches. The Group is undertaking the Rights Issue in part to raise funds to improve the financial position of the Group and to ensure that the above debt covenants are observed going forward.

Save as disclosed above, to the best of our Directors' knowledge and belief as at the Latest Practicable Date, our Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Group.

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 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.**
-

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, the Directors are not aware of any known 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 the offer information to be not necessarily indicative of the future operating results or financial condition of the Group.

- 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.**
-

Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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

- 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.**
-

Not applicable. No profit forecast or profit estimate has been 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 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 or profit estimate has been 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 party, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
-

Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

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

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

Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

15. Disclose any event that has occurred from the end of:
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,
- to the latest practicable date which may have a material effect on the financial position and results of the relevant party or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement and as disclosed by the Company on the SGXNET, our Directors are not aware of any event which has occurred since 30 June 2014 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

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

Meaning of “published”

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

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

PART VI (THE OFFER AND LISTING)

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.**
-

The Issue Price for each Rights Share is S\$0.18, payable in full on acceptance and/or application.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers of the Rights Shares. An administrative fee will be incurred for each Electronic Application made through ATMs of the respective Participating Bank.

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.**
-

Not applicable. The Rights Shares shall be traded on the Official List of the SGX-ST.

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.

None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares 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” on pages 14 to 16 of this Offer Information Statement for further details.

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

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange:
- (a) in a case where the first-mentioned securities have been listed for 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;
 - (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.
-

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

- (a) The highest and lowest traded prices and volume of the Shares traded on the SGX-ST over the last twelve (12) months immediately preceding the Latest Practicable Date and for the period from 1 August 2014 to the Latest Practicable Date are as follows:

The highest and lowest trading prices as well as the trading volume of the Shares for the last twelve (12) months prior to the Latest Practicable Date are set out below:

	Share Price (S\$)		Volume
	High	Low	
July 2013	0.300	0.270	3,535
August 2013	0.270	0.200	8,569
September 2013	0.260	0.210	5,058
October 2013	0.250	0.210	2,877
November 2013	0.250	0.220	4,175
December 2013	0.240	0.215	1,385
January 2014	0.280	0.210	14,842
February 2014	0.265	0.230	3,972
March 2014	0.270	0.225	8,425
April 2014	0.305	0.245	40,215
May 2014	0.280	0.255	5,968
June 2014	0.285	0.260	14,790
July 2014	0.275	0.260	3,525
1 August 2014 to the Latest Practicable Date	0.260	0.200	5,815

Source: Bloomberg ⁽¹⁾

Note:

- (1) *Bloomberg L.P.* has not consented to the inclusion of the prices quoted under this section and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company has included the above information in their proper form and context in this Offer Information Statement and has not verified the accuracy of these statements
- (b) Not applicable as the Shares have been listed and quoted for more than twelve (12) month immediately preceding the Latest Practicable Date.
- (c) There has been no significant trading suspension for the Shares during the three (3) years immediately preceding the Latest Practicable Date.
- (d) The Shares are regularly traded on the Official List of the SGX-ST.

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

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.

Not applicable as the Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

The Rights Shares are to be issued pursuant to the authority granted to the Directors pursuant to the approval obtained from Shareholders at the annual general meeting of the Company held on 23 April 2014.

Plan of Distribution

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

Basis of Provisional Allotment : The Rights Issue is proposed to be offered on a renounceable non-underwritten basis by the Company of up to 55,472,483 Rights Shares on the basis of two (2) Rights Shares for every fifteen (15) existing Shares held by Entitled Shareholders as at the Books Closure Date.

Issue Price : S\$0.18 per Rights Share

Entitled Shareholders : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

The provisional allotments which are not taken up or allotted for any reason, will be aggregated and used to satisfy Excess Applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

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

In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots. 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The Directors will take steps to ensure that Rule 803 of the Listing Manual, on the restriction of transfer of controlling interest without prior approval of Shareholders in a general meeting, is complied with in their exercise of discretion to allot and issue any Excess Rights Shares.

Foreign Shareholders : As there may be prohibitions or restrictions against the offering of Rights Shares 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" on pages 14 to 16 of this Offer Information Statement for further details.

Terms and Conditions : The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, including the Appendices to this Offer Information Statement, the ARE, the ARS and the PAL.

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 (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART VII (ADDITIONAL INFORMATION)

- 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.**
-

Not applicable. No statement or report was made by an expert 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 was made by an expert 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.**
-

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

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

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) in 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.**
-

Not applicable. No issue manager or underwriter was appointed for this Rights Issue exercise.

5. **Include particulars of any other matters not disclosed under any paragraph of this Schedule which could materially affect, directly or indirectly –**

- (a) the relevant entity's business, operations or financial position or results; or**
(b) investments by holders of securities in the relevant entity.
-

Save as disclosed in this Offer Information Statement and to the best of our Directors' knowledge, our Directors are not aware of any other matter which could materially affect, directly or indirectly:

- (a) the Company's business operations or financial position or results; or
(b) investments by holders of securities in the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER 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.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES
UNDER APPENDIX 8.2 OF THE LISTING MANUAL**

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

1. Provide –

- (a) 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;**
 - (c) the last day and time for acceptance and payment for the securities to be issued pursuant to the rights issue;**
 - (d) the last day and time for the renunciation of and payment by the renouncee for the securities to be issued pursuant to the rights issue;**
 - (e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue.**
-

1. Particulars of the Rights Issue:

Number of Rights Shares to be issued	:	Up to 55,472,483 Rights Shares are offered pursuant to the Rights Issue. The actual number of Rights Shares to be issued will depend on the level of the subscriptions of valid acceptances for the provisional allotment of Rights Shares and the valid applications for Excess Rights Shares.
Issue Price	:	S\$0.18 for each Rights Share, payable in full on acceptance and/or application.
Basis of provisional allotment	:	Two (2) Rights Shares for every fifteen (15) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements being disregarded
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the existing Shares save that they will not rank for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.
Eligibility to participate in the Rights Issue	:	Please refer to the section entitled “Eligibility of Issue Shareholders to Participate in the Rights Issue” on pages 14 to 16 of this Offer Information Statement for further details.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

- Acceptance, Excess Application and Payment Procedures : The procedures for acceptance, Excess Application payment procedures and payment by Entitled Shareholders are set out in Appendices A to C of this Offer Information Statement, the PAL, the ARE and the ARS.
- Listing of the Rights Shares : The SGX-ST had on 19 August 2014 granted the approval-in-principle for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The approval-in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries, or the Shares. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.
- Trading of the Rights Issue : Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 1,000 Shares.
- Use of CPF Funds : CPFIS Members may use their CPF Funds (subject to the availability of investible savings) for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares and/or apply for Excess Rights Shares, subject to the applicable CPF rules and regulations. Such CPFIS Members will need to instruct their respective approved CPF agent banks where they hold their CPF investment accounts, to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members can top up cash into their CPF investment accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions early in order for their CPF agent banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any applications made directly through CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, CPF Funds may not be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

Non-underwritten basis : The Rights Issue is not underwritten.

Governing Law : Laws of the Republic of Singapore

2. The last date and time for splitting of the provisional allotments of Rights Shares is on 16 September 2014 at 5.00 p.m.
3. The last date and time for acceptance of Rights Shares, application for the Excess Rights Shares and payment for Rights Shares and/or Excess Rights Shares is on 22 September 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications).
4. The last date and time for acceptance of and payment by the renouncee for the Rights Shares is on 22 September 2014 at 5.00 p.m.
5. The allotment and issue of the Rights Shares are governed by the terms and conditions as set out in this Offer Information Statement, in particular, Appendices A to C of this Offer Information Statement and the PAL, the ARE and the ARS.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

As at the Latest Practicable Date, Mr Wong Sheung Sze and Mr Lew Syn Pau (the “**Undertaking Shareholders**”), had direct and deemed interests in 150,148,774 Shares and 39,328,800 Shares respectively (the “**Relevant Shares**”), representing approximately 36.09% and 9.45% of the Existing Share Capital respectively.

As an indication of their support and commitment to the Company:

- (a) Mr Wong Sheung Sze, a Director and Controlling Shareholder, has provided an irrevocable undertaking dated 25 July 2014 to the Company, to, *inter alia*:
 - (i) subscribe and pay and/or procure subscription and payment for his *pro rata* entitlement to the Rights Shares, provided that he (together with any person acting in concert with him) will not be placed in a position of incurring a mandatory general offer obligation under the Takeover Code following the completion of the Rights Issue, in accordance with the terms and conditions of the Rights Issue; and
 - (ii) that as at Books Closure Date, the number of Shares held by him will not be less than the number of Shares held by him as at the date of his Irrevocable Undertaking (as defined below); and
- (b) Mr Lew Syn Pau, a Director and Substantial Shareholder has provided an irrevocable undertaking dated 30 July 2014 to the Company, *inter alia*,:

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

- (i) to subscribe and pay and/or procure subscription and payment for his *pro rata* entitlement to the Rights Shares, in accordance with the terms and conditions of the Rights Issue; and
- (ii) that as at Books Closure Date, the number of shares held by him will not be less than the number of shares held by him as at the date of his Irrevocable Undertaking,

(the “**Irrevocable Undertakings**”).

Each of the Undertaking Shareholders has also provided confirmations from financial institutions that he has sufficient financial resources to fulfil his respective obligations under the Irrevocable Undertakings.

-
- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**
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After taking into consideration the costs of engaging an underwriter and having to pay commission in relation to the underwriting and taking into account the Irrevocable Undertaking, the Directors decided that it is not feasible and practicable for the Rights Issue to be underwritten by a financial institution.

Working Capital

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

	WORKING CAPITAL			
	Audited as at 31 Dec 2011 S\$'000	Audited as at 31 Dec 2012 S\$'000	Audited as at 31 Dec 2013 S\$'000	Unaudited as at 30 June 2014 S\$'000
Total Current Assets	262,525	238,339	279,269	249,164
Total Current Liabilities	195,066	225,296	261,425	239,862
Net Current Assets	67,459	13,043	17,844	9,302

Review of Working Capital

31 December 2012 versus 31 December 2011

The Group's working capital decreased by approximately S\$54.40 million from S\$67.40 million as at 31 December 2011 to S\$13.00 million as at 31 December 2012. This was due to a decrease in current assets of S\$24.20 million and an increase in current liabilities of S\$30.20 million.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

The decrease in current assets of S\$24.20 million from S\$262.50 million as at 31 December 2011 to S\$238.30 million as at 31 December 2012 mainly due to a decrease in cash and cash equivalents and financial derivatives of S\$36.10 million and S\$5.10 million respectively and offset by an increase in inventories and trade and other receivables of S\$10.30 million and S\$6.70 million respectively. The decrease in cash and cash equivalents was mainly due to funds used for acquisition of property, plant and equipment of S\$84.10 million and repayments of bank borrowings of S\$56.40 million. The decrease in cash and cash equivalents was partially offset by cash from operating activities of S\$39.10 million and proceeds from bank borrowings of S\$78.00 million. The increase in inventories was mainly due to the increase in the level of finished goods arising from the slower than expected order rate from customers in the components division.

The increase in current liabilities of S\$30.20 million from S\$195.10 million as at 31 December 2011 to S\$225.30 million as at 31 December 2012 was mainly due to an increase in loans and borrowings and trade and other payables of S\$25.20 million and S\$21.90 million, respectively, partially offset by a decrease in financial derivatives and current tax liabilities of S\$16.30 million and S\$0.60 million respectively. The increase in trade and other payables was mainly due to higher purchases of raw materials and an increase in payable of property, plant and equipment in the components division.

31 December 2013 versus 31 December 2012

The Group's working capital increased by S\$4.80 million from S\$13.00 million as at 31 December 2012 to S\$17.80 million as at 31 December 2013. This was due to an increase in current assets of S\$40.90 million and an increase in current liabilities of S\$36.10 million.

There was an increase in current assets of S\$41.00 million from S\$238.30 million as at 31 December 2012 to S\$279.30 million as at 31 December 2013. This was mainly due to an increase in trade and other receivables, cash and cash equivalents, asset held for sale and loan to investee companies of S\$19.20 million, S\$18.60 million, S\$2.20 million and S\$0.80 million, respectively. The increase in trade and other receivables was mainly due to higher revenue generated in the components division. The increase in cash and cash equivalents was mainly due to cash from operating activities of S\$69.20 million and net cash from financing activities of S\$14.10 million, partially offset by cash used in investing activities of S\$66.30 million. The asset held for sale was reclassified from investment properties in non-current assets as the property was disposed in 1Q2014. The loans to investee companies were reclassified from non-current assets as it is due for repayment at 31 December 2014.

The increase in current liabilities of S\$36.10 million from S\$225.30 million as at 31 December 2012 to S\$261.40 million as at 31 December 2013 was mainly due to an increase in trade and other payables, loans and borrowings and current tax liabilities of S\$30.70 million, S\$4.20 million and S\$1.30 million, respectively. The increase in trade and other payables was mainly due to higher trade payables in the components division, partially offset by a decrease in payable of property, plant and equipment. The increase in loans and borrowings was mainly to the financing of the purchases of property, plant and equipment in FY2012 for the components division.

30 June 2014 versus 31 December 2013

The Group's working capital decreased by S\$8.50 million from S\$17.80 million as at 31 December 2013 to S\$9.30 million as at 30 June 2014. This was due to a decrease in current assets and current liabilities of S\$30.10 million and S\$21.60 million respectively.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

The decrease in current assets of S\$30.10 million from S\$279.30 million as at 31 December 2013 to S\$249.20 million as at 30 June 2014 was mainly due to a decrease in inventories, trade and other receivables, cash and cash equivalents and assets held for sale of S\$5.70 million, S\$1.50 million, S\$20.40 million and S\$2.20 million respectively. The decrease in cash and cash equivalents was mainly due to cash used in investing activities and in financing activities of S\$6.90 million and S\$18.20 million respectively, partially offset by cash generated from operating activities of S\$5.00 million.

The decrease in current liabilities of S\$21.60 million from S\$261.40 million as at 31 December 2013 to S\$239.90 million as at 30 June 2014 was mainly due to a decrease in trade and other payables and current tax liabilities of S\$15.90 million and S\$12.40 million respectively, partially offset by an increase in loans and borrowings and financial derivatives of S\$4.70 million and S\$2.10 million respectively. The decrease in trade and other payables was mainly due to payments made to trade and other payables and decrease in payable of property, plant and equipment. The decrease in current tax liabilities was mainly due to a reversal of overprovision of income tax for prior years which will no longer be applicable because of the expiry of the tax liability period.

Convertible Securities

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual.**
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

-
- (i) Not applicable. The Rights Issue does not involve an issue of convertible securities.
 - (ii) Not applicable. The Rights Issue is not underwritten by any financial institution.

Responsibility Statement

A responsibility statement by the financial adviser stating that to the best of the financial adviser's knowledge and belief, the document constitutes full and true disclosure of all material facts about the rights issue, the issuer and its subsidiaries, and the financial adviser is not aware of any facts the omission of which would make any statement in the document misleading

To the best of PWCCF'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 PWCCF is not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

Acceptances of the provisional allotment of and any excess application for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

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
Application of Excess Rights Shares	Form E

The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement and the enclosed PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL. Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of any application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Issue which is illegible, incomplete, incorrectly completed 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 and present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Right Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. 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 of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

The full amount payable for the relevant number of Rights Shares accepted/applied for will be rounded up to the nearest whole cent, if applicable.

Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares should note that all dealings in and transactions of the provisional allotments of Rights Shares through 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 Official List of SGX-ST.

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this PAL and/or this Offer Information Statement 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 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. FORM OF ACCEPTANCE (FORM A)

2.1. Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

- (a) complete and sign the Form A of the PAL for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL at his own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 22 September 2014** (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 Rights Shares 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 Rights Shares accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix A 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 Rights Shares which the Entitled Scripholder has given instructions to accept.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

2.3. Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, 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 Rights Shares.

3. REQUEST FOR SPLITTING (FORM B), RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)

Entitled Scripholders who wish to accept a portion of their provisional allotments of Right Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one (1) person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**Split Letters**") according to their requirements.

The duly completed Form B together with the PAL, in its entirety, should be returned by post in the self-addressed envelope provided, at the sender's own risk, to reach **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 16 September 2014** (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 is received after **5.00 p.m. on 16 September 2014** (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 Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with remittance for the payment in the prescribed manner to **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 16 September 2014** (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 Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one (1) person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounee(s). The renounee should complete and sign Form D and send Form D, together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE,**

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

#32-01 SINGAPORE LAND TOWER, SINGAPORE 048623, not later than **5.00 p.m. on 22 September 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters 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 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 allotments of Rights Shares 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

Payment for full amount due on acceptance and/or application in relation to the PALs 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 “**BROADWAY RIGHTS ISSUE ACCOUNT**” and 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, by post in the self-addressed envelope provided at the sender’s own risk, to **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 22 September 2014** (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.**

If acceptance and payment in the prescribed manner as set out in the PAL is not received by **5.00 p.m. on 22 September 2014** (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 allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapsed and become void and such provisional allotments 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 share of revenue or benefit arising therefrom within 14 days after the Closing Date.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

5. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

Form E contains full instructions with regard to the application for Excess Rights Shares, and payment and the procedures to be followed if you wish to apply for Rights Shares in excess of your provisional allotment of Rights Shares.

Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the form for the application for Excess Rights Shares (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out above, by post in the self-addressed envelope provided at their own risk, to **BROADWAY INDUSTRIAL GROUP LIMITED C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 22 September 2014** (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.**

The Excess Rights Shares are available for application subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the PAL, Form E and (if applicable) the Memorandum and Articles of Association of the Company.

In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares 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 Rights Shares, preference will be given to the rounding of odd lots. 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company reserves the right to allot the Excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to refuse, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever. CDP takes no responsibility for any decision that the Directors may make. In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them. If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus of the application monies for Excess Rights Shares received by the Company, as the case may be, will be

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **BY ORDINARY POST** at their **OWN RISK**

6. GENERAL

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications. **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser, accountant or other professional adviser immediately.**

Upon listing and quotation on the Official List of the SGX-ST, the Rights Shares when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through SGX-ST and/or CDP shall be made in accordance with CDP's ("**Terms and Conditions for Operation of Securities Accounts with CDP**"), as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and who wish to trade the Rights Shares issued to them on the Official List of 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 before accepting any Rights Shares or applying for any Excess Rights Shares in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or 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 (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers or registration numbers (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 share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the Official List of SGX-ST under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title. These physical share certificates will be sent **BY ORDINARY POST** to person(s) entitled thereto at his/their **OWN RISK**.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last registered with CDP. A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly stamped and

**APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING,
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executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 22 SEPTEMBER 2014 (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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APPENDIX B – 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 ARE 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 Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE. The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in the Offer Information Statement as well as the ARE.

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

Use of CPF Funds

CPFIS Members who had previously bought their Shares under the CPFIS-OA can only use, subject to applicable CPF rules and regulations, their CPF Funds to subscribe for the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective CPF approved banks, where such CPFIS Members hold their CPF investment accounts, to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF funds or stock limit, CPFIS Members may top up cash into their CPF investment accounts before instructing their respective CPF approved banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members are advised to provide their respective CPF approved banks with the appropriate instructions early in order for their respective CPF approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptances and/or applications made directly through CDP, the Share Registrar and/or the Company, and/or through ATMs of the Participating Bank will be rejected. CPF Funds cannot be used for the purchase of the provisional allotments of Rights Shares directly from the market.

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Use of SRS Funds

SRS investors who had previously bought Shares using their SRS accounts to can only use, subject to certain conditions as may be imposed under the SRS rules and regulations and/or by the SRS operators, can only do so, using the funds from their SRS Accounts (subject further to the availability of investible funds) (“SRS Funds”) to subscribe for the Rights Shares and (if applicable) apply for the Excess Rights Shares. SRS investors who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS Funds will need to instruct the relevant approved banks in which they hold their SRS accounts to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Entitled Depositors who have insufficient funds in their SRS account may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks before instructing their respective approved banks to accept the Rights Shares and (if applicable) apply for the Excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptances and/or applications made directly through CDP, the Share Registrar and/or the Company, and/or through ATMs of the Participating Bank will be rejected. SRS Funds may not be used for the purchase of the provisional allotments of Rights Shares directly from the market.

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 ARE 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 Rights Shares 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 ARE 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 RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES 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.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or Excess Rights Shares in relation to the Rights

APPENDIX B – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Issue or which does not comply with the instructions for an Electronic Application, or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares 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 Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. 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 for acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares.

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS 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 ARE or the ARS 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.

An Entitled Depositor may accept his provisional allotment of Rights Shares specified in his ARE and (if applicable) apply for Excess Rights Shares either through CDP or by way of Electronic Application through an ATM of a Participating Bank as described below. For investors who hold Shares through finance companies or Depository Agents, CPF approved banks or SRS accounts, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies, Depository Agents or approved banks. For such investors, applications for Rights Shares and/or Excess Rights Shares made directly through CDP, the Share Registrar, the Company or through ATMs of a Participating Bank will be rejected.

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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 Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix C 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 SUCH 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 RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF SUCH 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 Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part A of Section (II) of the ARE the number of Rights Shares provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the ARE the number of Excess Rights Shares applied for and in Section (II) of the ARE the respective and total amounts to be made payable to “**CDP – BROADWAY RIGHTS ISSUE ACCOUNT**”; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
 - (i) by hand to **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER’S OWN RISK**, in the self-addressed envelope provided, to **BROADWAY INDUSTRIAL GROUP 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 22 September 2014** (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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The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares 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 – BROADWAY 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 Rights Shares and (if applicable) apply for Excess Rights Shares 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 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 ARE and the Offer Information Statement as if the ARE 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 Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix B 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 ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

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

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE 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 Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

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The balance of his provisional allotment of Rights Shares 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 Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares 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.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, 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 ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, 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 22 September 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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 Rights Shares 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 RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares 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 Rights Shares 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,

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Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS 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 Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 22 September 2014** (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. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE 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 ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (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 (ASSUMPTION: ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIFTEEN (15) ORDINARY SHARE(S) AT AN ISSUE PRICE OF S\$0.18)

As an illustration, if an Entitled Depositor has 30,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 4,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

(a) Accept his entire provisional allotment of 4,000 Rights Shares and (if applicable) apply for Excess Rights Shares.

(1) Accept his entire provisional allotment of 4,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 22 September 2014** (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 ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 4,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a

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Alternatives

Procedures to be taken

single remittance for S\$720.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares 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 – BROADWAY 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 **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **BROADWAY INDUSTRIAL GROUP 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 22 September 2014** (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.

(b) Accept a portion of his provisional allotment of Rights Shares, for example 2,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

(1) Accept his provisional allotment of 2,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 22 September 2014**; or

(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 2,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$360.00, in the prescribed manner described in alternative (a)(2) above, to

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Alternatives

Procedures to be taken

CDP, so as to arrive not later than **5.00 p.m. on 22 September 2014** (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 2,000 Rights Shares 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 Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 1,000 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example 2,000 provisionally allotted Rights Shares, and reject the balance.

(1) Accept his provisional allotment of 2,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 22 September 2014** (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 ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 2,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$360.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 22 September 2014** (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 2,000 Rights Shares 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 22 September 2014** or if an acceptance is not made through CDP by **5.00 p.m. on 22 September 2014**.

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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 RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 22 SEPTEMBER 2014 (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 RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK.
- (B) 5.00 P.M. ON 22 SEPTEMBER 2014 (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 RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE; AND

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (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 22 September 2014** (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 22 September 2014** (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 Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional 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 means of a crossed cheque in Singapore currency sent by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as recorded with CDP or such other manner as may be agreed with CDP for the payment of cash for the payment of cash distributions or by crediting their accounts with the Participating Bank (where acceptance is through Electronic Application at the ATMs) and **AT THE ENTITLED DEPOSITORS' OR THE PURCHASERS' OWN RISK** within 14 days after the Closing Date.

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.

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5.2 Appropriation

An Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Right Shares, he acknowledges that, in the case where:
 - (i) the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, or
 - (ii) the amounts as stated in Parts (A) and (B) of Section (II) in the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for the Excess Rights Shares,

the Company and/or 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 ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. Without prejudice to the above, CDP shall be entitled to make such appropriation for each application based on the amount received for that application notwithstanding payment (or overpayment) made in that or other application(s). 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 ARE, the ARS and/or any other application form for Rights Shares 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 Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE 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 Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) which he has authorised or deemed to have authorised to apply towards

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the payment for acceptance of the Rights Shares and/or application for Excess Rights Shares in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Depositors, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more excess Rights Shares than are available, the Excess Rights Shares 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 Rights Shares, preference will be given to the rounding of odd lots, and Substantial Shareholders and Directors 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 on the Board (whether direct or through a nominee) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares 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 14 days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares 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 Rights Shares through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares 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 payable for such

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Rights Shares is effected by **9.30 p.m. on 22 September 2014** (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 ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares 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 – BROADWAY 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 **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **BROADWAY INDUSTRIAL GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 22 September 2014** (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 Rights Shares is effected by **5.00 p.m. on 22 September 2014** (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 Rights Shares 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 DEPOSITOR'S OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP (where acceptance is through CDP), at the Entitled Depositors' or the Purchasers' (as the case may be) own risk within 14 days after the Closing Date.

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

APPENDIX B – 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 Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access 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 Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed. 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 ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS 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 RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES 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 Rights Shares and (if applicable) your application for Excess Rights Shares 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 C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Bank (the “Steps”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. 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 the Purchaser who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the excess Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, such Participating Bank before he can make an Electronic Application through an ATM of such Participating Bank.

The actions that the Applicant must take at ATMs of a Participating Bank are set out on the ATM screens of the relevant Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Applicant and should not be submitted with any ARE/ARS.

For investors who hold Shares through finance companies or Depository Agents, CPFIS Members who had bought Shares under the CPFIS-OA or SRS investors who had bought Shares using their SRS accounts, acceptances of the Right Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance companies, Depository Agents or approved banks. Such investors and CPFIS Members are advised to provide their finance companies, Depository Agents or approved banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Application, the Share Registrar and/or the Company will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares must be done through the respective finance companies or Depository Agents. Such renounees or Purchasers 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 on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected.

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.

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

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 Rights Shares, 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 of and (as the case may be) application for the Rights Shares 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, Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, CDP, CPF, the SGX-ST and the Company and any other relevant parties (the “Relevant Parties”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) excess application.**

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, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two (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) and the Third Schedule of 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 through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of the Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such excess Rights Shares or not to allot any number of excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (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 Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied that may be allotted to him.

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (5) In the event that the Applicant accepts the Rights Shares and (if applicable) instructions to apply for excess Rights Shares together with payment therefor both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or 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 combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares 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 aggregate number of provisionally allotted Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, and the number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares for which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance by Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.
- (6) If applicable, in the event that the Applicant applies for excess Rights Shares both by way of ARE 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 they may, in their absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares not exceeding the aggregate number of excess Rights Shares for which he has applied by way of the ARE, whether directly to CDP and/or by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares which the Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the excess Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.
- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register or procure the registration of the Rights Shares and (if applicable) the excess Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (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 Rights Shares not be accepted and/or excess Rights Shares 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 14 days after the Closing Date; 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 Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the CPF Board, the Share Registrar and/or a Participating Bank) and any other events whatsoever beyond the control of the Company, CDP, the CPF Board, the Share Registrar and/or such Participating Bank and if, in any such event, the Company, CDP, the CPF Board, the Share Registrar and/or such Participating Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 22 September 2014**, 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 the Company, CDP, the CPF Board, the Share Registrar and/or such Participating Bank in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made through an ATM of a Participating Bank from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. to 9.00 p.m..**
- (11) Electronic Applications shall close at **9.30 p.m. on 22 September 2014** or such other time as the Company may, in its absolute discretion, decide.
- (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.

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (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 through the ATMs of his Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank 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 S\$ (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 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of 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 22 September 2014** (or such other time(s) and/or date(s) as the Company may, in its absolute discretion, decide) and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not any supplementary or replacement document is lodged with 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 CPF Board, the Share Registrar, or the Participating Banks shall be liable for any delay, failure or inaccuracy in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Banks 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 Rights Shares and (if applicable) application for Excess Rights Shares;
 - (e) in respect of the Rights Shares and/or Excess Rights Shares 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, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application 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 in herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

amend or vary (including any release or compromise of any liability) or terminate such contracts. Where the 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 Bank 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/or 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 Rights Shares or (if applicable) applies for excess Rights Shares, as the case may be, by way of ARE and/or ARS and/or by way of Electronic Application through any ATM of a Participating Bank, the provisionally allotted Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company and/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 14 days after the Closing Date by any one (1) or a combination of the following:
- (a) by means of a crossed cheque drawn on a bank in Singapore 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 relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of such Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of the Rights Shares which he can validly accept, the Company and/or CDP are entitled and the Applicant authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of the Rights Shares that the Applicant has validly accepted, whether under the ARE and/or any other application form (including Electronic Application through an ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and

APPENDIX C – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (c) the total number of Rights Shares represented by the provisional allotment of the Rights Shares which has been disposed of by the Applicant.

The Applicant acknowledges that the Company's and/or CDP'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 such Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of the Rights Shares accepted by the Applicant and (if applicable) the excess Rights Shares 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 ARE, the ARS, (if applicable) the Memorandum and Articles of Association of the Company and/or other application form for the Rights Shares 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 ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or 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 it may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares 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 Rights Shares.

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.

Dated this 3 September 2014

**Board of Directors of
Broadway Industrial Group Limited**

Lew Syn Pau
Chairman, Independent Director

Lee Chow Soon
Independent Director

Eu Yee Ming Richard
Independent Director

Wong Sheung Sze
Non-Executive Director

Lee Po Lo @ Lee Khong Kee
Non-Executive Director

Ng Ah Hoy
Executive Director

