

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of CSE Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company proposes to undertake a renounceable non-underwritten rights issue of up to 102,480,337 new ordinary shares (the “**Rights Shares**”) in the capital of the Company at an issue price of S\$0.33 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every five (5) ordinary shares in the capital of the Company (“**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) who are eligible to participate in the Rights Issue as at the Record Date (as defined below), fractional entitlements to be disregarded (the “**Rights Issue**”). The Rights Issue shall take place as at a time and date to be determined by the directors of the Company (“**Directors**”), at and on which the register of members of the Company and the transfer books will be closed to determine the provisional allotment of the Rights Shares (“**Rights**”) of the Entitled Shareholders (as defined below) (the “**Record Date**”). The principal terms of the Rights Issue are set out below:

Principal Terms of the Rights Issue

Description

Issue Price : The Issue Price of each Rights Share will be S\$0.33, payable in full upon acceptance and/or application.

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

- (a) **20.5%** to the last transacted price of S\$0.415 per Share (the “**Last Traded Price**”) on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 10 October 2022, being the last trading day on which trades were done on the Shares prior to this announcement (the “**Last Trading Day**”); and
- (b) **17.7%** to the theoretical ex-rights price of S\$0.401¹ per Share as calculated based on the Last Traded Price.

The Issue Price and the discounts have been determined after taking into account, among others, the transaction structure and size.

Allotment Ratio : The Rights Issue will be made on a renounceable basis to Entitled Shareholders (as defined below) on the basis of one (1) Rights Share for every five (5) Shares held by Entitled

¹ Such theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the Issue Price, the Last Traded Price of the Shares on the Main Board of the SGX-ST of S\$0.415 on the Last Trading Day, and the number of Shares following the completion of the Rights Issue.

Shareholders as at the Record Date, fractional entitlements to be disregarded.

Number of Rights Shares to be Issued : Based on the issued share capital of the Company as at the date of this announcement of 512,401,686 Shares (excluding treasury shares) (the "**Existing Issued Share Capital**"), the Company will allot and issue up to 102,480,337 Rights Shares under the Rights Issue.

There are 3,666,166 treasury Shares as at the date of this announcement. The Company does not have any other outstanding convertible securities and subsidiary holdings as at the date of this announcement.

Use of Proceeds : Based on the Issue Price, the Rights Issue will raise gross proceeds of up to approximately S\$33.8 million.

The net proceeds from the Rights Issue will amount to approximately S\$33.4 million (the "**Net Proceeds**") after deducting estimated fees and expenses (including professional fees and expenses) incurred in connection with the Rights Issue.

The Company intends to utilise the Net Proceeds (a) for potential acquisitions of synergistic businesses in New Zealand and the United States of America ("**USA**"); and (b) to partially repay some of the loans previously drawn down for certain business acquisitions as part of the Company's ongoing and prudent balance sheet management to enhance the financial flexibility of the Group.

Please refer to paragraph 2 below for further details.

Purpose of Rights Issue : Please refer to paragraph 2 below for further details.

Previous Equity Fund Raising : The Company has not undertaken any equity fund raising in the past 12 months prior to the date of this announcement.

- 1.2 The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu*, in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of allotment and issue of the Rights Shares.
- 1.3 The Rights Shares will be issued pursuant to the general share issue mandate (the "**General Mandate**") granted to the Board by the shareholders of the Company by way of an ordinary resolution at the annual general meeting of the Company held on 20 April 2022. As (a) the number of Shares that may be issued on a *pro rata* basis under the General Mandate is 256,200,843; and (b) no Shares were previously issued under the General Mandate prior to the date of this announcement, the issue and allotment of up to 102,480,337 Rights Shares would be within the limits of the General Mandate. Accordingly, specific approval will not be sought from Shareholders for the Rights Issue.
- 1.4 To demonstrate their commitment and vote of confidence in the Company and the Rights Issue, certain Directors of the Company, namely Mr. Lim Boon Kheng ("**LBK**"), Mr. Lim Ming Seong ("**LMS**") and Mr. Tan Chian Khong ("**TCK**") (collectively, the "**Undertaking Shareholders**") have each given an irrevocable undertaking to subscribe for and pay in full and/or procure the subscription of and payment in full for their *pro rata* entitlements to the Rights Shares in compliance with the terms and conditions of the Rights Issue ("**Irrevocable Undertakings**"). Additionally, certain substantial shareholders of the Company, namely Orchid 2 Investments Pte. Ltd. ("**Orchid 2**") and Orchid 3 Investments VCC ("**Orchid 3**") (collectively the "**Orchid**

Entities”), intend to subscribe or procure the subscription of their respective *pro rata* entitlement to the Rights Shares under the Rights Issue (“**Expressions of Intention**”). Details of the Irrevocable Undertakings and Expressions of Intention are set out in paragraphs 4 and 5 below.

- 1.5 The Company has appointed United Overseas Bank Limited as the manager for the Rights Issue (the “**Manager**”). For the avoidance of doubt, the Rights Issue will not be underwritten.
- 1.6 Based on the Existing Issued Share Capital:
 - (a) assuming that the Rights Issue is fully subscribed, 102,480,337 Rights Shares will be allotted and issued pursuant to the Rights Issue, raising gross proceeds of S\$33.8 million; and
 - (b) assuming that (i) none of the Entitled Shareholders (other than the Undertaking Shareholders and Orchid Entities) or purchasers of the “nil-paid” rights during the “nil-paid” rights trading period subscribe and pay for any Rights Shares; (ii) only the Undertaking Shareholders subscribe or procure the subscription of and pay, in full, for the 3,295,738 Rights Shares in accordance with the Irrevocable Undertakings raising gross proceeds of S\$1.1 million; and (iii) the Orchid Entities subscribe or procure the subscription of and pay, in full, for the 25,588,849 Rights Shares in accordance with the Expressions of Intention raising gross proceeds of S\$8.4 million, representing a combined subscription for an aggregate of 28,884,587 Rights Shares raising gross proceeds of S\$9.5 million.
- 1.7 In view of the Irrevocable Undertakings and the Expressions of Intention and the savings enjoyed by not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.
- 1.8 Based on the reasonable opinion of the Directors as at the date of this Announcement, there is no minimum amount which must be raised from the Rights Issue taking into consideration the intended use of the Net Proceeds.

2. RATIONALE AND PURPOSES OF THE RIGHTS ISSUE AND USE OF PROCEEDS

Rationale and Purposes of the Rights Issue

- 2.1 The Rights Issue has been proposed to raise funds: (a) for potential acquisitions of synergistic communications businesses in New Zealand and the USA; and (b) to partially repay some of the loans previously drawn down for certain business acquisitions as part of the Company’s ongoing and prudent balance sheet management and to enhance the financial flexibility of the Group.

The potential acquisitions form part of the Group’s strategy to expand and grow its Communications businesses in the infrastructure industry markets and participate in an expanding sector where demand for increased connectivity and security is expected to continue to grow. Both the potential acquisitions relate to radio and critical communications business which the Company views as a natural complementary fit to its business. It is envisaged that the potential acquisitions will strengthen the Company’s existing business partner and customer relationships as well as extend its geographic coverage into the New Zealand and USA markets for its Communications business, thereby enhancing its market position in these markets. No definitive agreement has been entered into and accordingly, there is no assurance or certainty that these potential acquisitions will materialise. Further announcement will be made by the Company via SGXNET if and when a definitive agreement in relation to any of these potential acquisitions which is material is reached.

The Rights Issue will also provide all Shareholders with an opportunity to participate in the growth and expansion of the Group’s business and to maintain their *pro rata* equity interests in the Company by accepting their *pro rata* entitlements to the Rights Issue, as well as applying for excess Rights Shares at the Issue Price.

Use of Proceeds

- 2.2 The Company expects to raise gross proceeds of up to approximately S\$33.8 million and Net Proceeds of up to approximately S\$33.4 million from the Rights Issue.
- 2.3 The Company intends to utilise the Net Proceeds from the Rights Issue in the following manner:
- (a) approximately 90% for potential acquisitions of synergistic businesses in New Zealand and the USA; and
 - (b) approximately 10% to partially repay some of the loans previously drawn down for certain business acquisitions as part of the Company's ongoing and prudent balance sheet management and to further enhance the financial flexibility of the Group.
- 2.4 The Company will make periodic announcements via SGXNET on the utilisation of the proceeds from the Rights Issue, as and when the funds from the Rights Issue are materially disbursed, including whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the proceeds from the Rights Issue in the Company's annual report, in accordance with the Listing Manual of the SGX-ST (the "**Listing Manual**"). Where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of Net Proceeds for working capital in its announcement and the annual report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 2.5 Pending the deployment of the Net Proceeds from the Rights Issue, such Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market or debt instruments, corporate financing or loans or for any other purposes on a short-term basis as the Directors may deem fit.
- 2.6 The foregoing represents the Company's best estimate of its allocation of the Net Proceeds based on its current plans and estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to re-allocate the net proceeds within the categories described above or to use portions of the net proceeds for other purposes. In the event that the Company decides to reallocate the net proceeds or use portions for other purposes, the Company will make an announcement of its intention to do so.

3. ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

- 3.1 The Company proposes to provisionally allot by way of Rights to all Shareholders who are eligible to participate in the Rights Issue ("**Entitled Shareholders**"), which comprise Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholding in the Company as at the Record Date.
- 3.2 "**Entitled Depositors**" are Shareholders with Shares standing to the credit of their securities accounts with The Central Depository (Pte) Limited ("**CDP**") as at the Record Date and (a) whose registered addresses with CDP are in Singapore as at the Record Date, or (b) who have, at least three (3) market days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents.
- 3.3 "**Entitled Scripholders**" are Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (the "**Share Registrar**"), registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (a) whose registered addresses with the Company are in Singapore as at the Record Date, or (b) who have, at least three (3) market days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents.
- 3.4 Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the

basis of their shareholdings in the Company as at the Record Date. Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be traded on the Mainboard of the SGX-ST over a period to be determined by the Directors in compliance with the rules of the Listing Manual. Entitled Shareholders will be at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors only) trade on the SGX-ST (during the Rights trading period prescribed by the SGX-ST) their Rights and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

- 3.5 Fractional entitlements to the Rights Shares will be disregarded in arriving at Entitled Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders or their respective renounee(s) or purchaser(s) of the Rights traded on the SGX-ST through the book-entry (scripless) settlement system, any unsold Rights of Foreign Shareholders (as defined in paragraph 3.6 below) and any Rights Shares that are not otherwise allotted for whatever reason, be aggregated and used to satisfy excess Rights Shares 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.
- 3.6 For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, no Rights will be made to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) market days prior thereto, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**").

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD PROVIDE THE SHARE REGISTRAR OR CDP, AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

- 3.7 If it is practicable to do so, the Company may, at its absolute discretion, arrange for the Rights, which would otherwise have been provisionally allotted to Shareholders other than the Entitled Depositors and the Entitled Scripholders ("**Ineligible Shareholders**") to be sold "nil-paid" on the SGX-ST as soon as practicable after commencement of trading in the Rights, and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement (as defined in paragraph 7.2 below). Such sales 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 the expenses expected to be incurred in relation thereto.
- 3.8 If such Rights cannot be 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 Rights, the Rights Shares represented by such Rights will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Manager, CDP, the Central Provident Fund Board or the Share Registrar and their respective officers in connection therewith.
- 3.9 In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors, will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares.

4. IRREVOCABLE UNDERTAKINGS

- 4.1 As at the date of this announcement, the number of Shares held and the proportion held in the Company's Existing Issued Share Capital by each of the Undertaking Shareholders is as follows:

	Direct		Deemed	
	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾
LBK ⁽²⁾	2,006,192	0.39	11,172,500	2.18
LMS ⁽³⁾	100,000	0.02	3,150,000	0.61
TCK ⁽⁴⁾	-	-	50,000	0.01

Notes:

- (1) Based on the Existing Issued Share Capital as at the date of this announcement, comprising 512,401,686 Shares (excluding treasury shares) and rounded to two (2) decimal places.
- (2) LBK has a direct interest in 2,006,192 Shares and has a deemed interest in 11,172,500 Shares, amounting to a total of 13,178,692 Shares representing approximately 2.57% of the total number of issued Shares of the Company. LBK is deemed to be interested in (i) 4,078,000 Shares held by Citibank Nominees Singapore Pte. Ltd.; (ii) 94,500 Shares held by United Overseas Bank Nominees (Private) Limited; and (iii) 7,000,000 Shares held by HSBC (Singapore) Nominees Pte Ltd.;
- (3) LMS has a direct interest in 100,000 Shares and has a deemed interest in 3,150,000 Shares, amounting to a total of 3,250,000 Shares representing approximately 0.63% of the total number of issued Shares of the Company. LMS is deemed to be interested in (i) 150,000 Shares held by his spouse; and (ii) 3,000,000 Shares held by Citibank Nominees Singapore Pte. Ltd.; and
- (4) TCK has a deemed interest in 50,000 Shares, representing approximately 0.01% of the total number of issued Shares of the Company. TCK is deemed to be interested in 50,000 Shares held by DBS Nominees Pte Ltd.

4.2 As an indication of their confidence in and commitment to the Company and the Rights Issue, the Undertaking Shareholders have entered into Irrevocable Undertakings on 10 October 2022 pursuant to which each Undertaking Shareholder has, subject to certain conditions, irrevocably undertaken to the Company that, among others:

- (a) as at the Record Date, the direct interest and deemed interest of the relevant Undertaking Shareholder in the Shares will not be less than the direct interest and deemed interest of such Undertaking Shareholder in the Shares on the date of the respective Irrevocable Undertaking, and such Shares shall be held by the relevant Undertaking Shareholder free from any mortgages, liens, charges, pledges, options, debentures, assignments, title retention, security interest, encumbrances, claims and other equities or third party rights (including rights of pre-emption) of any nature whatsoever;
- (b) in the case of LBK, to subscribe for and pay in full and/or procure the subscription of and payment in full for the *pro rata* entitlement of 2,635,738 Rights Shares;
- (c) in the case of LMS, to subscribe for and pay in full and/or procure the subscription of and payment in full for the *pro rata* entitlement of 650,000 Rights Shares; and
- (d) in the case of TCK, to subscribe for and pay in full and/or procure the subscription of and payment in full for the *pro rata* entitlement of 10,000 Rights Shares,

in each case, in accordance with the terms and conditions of the Rights Issue and not later than the last time and date for acceptance of and payment for the Rights Shares under the Rights Issue. No commission or fee will be paid to the Undertaking Shareholders in consideration of the Irrevocable Undertakings.

4.3 The Irrevocable Undertakings are conditional upon, among others, the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company, and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue.

4.4 The obligations under the Irrevocable Undertakings will not trigger an obligation under the Singapore Code on Take-overs and Mergers to make a general offer for the Shares of the Company.

5. INTENTION OF SUBSTANTIAL SHAREHOLDERS

- 5.1 As at the date of this announcement, Orchid 2 and Orchid 3 have a direct interest in 62,888,889 and 65,055,361 ordinary shares in the capital of the Company, representing approximately 12.27% and 12.70% of the total existing number of issued shares of the Company respectively.
- 5.2 To show their support for the Rights Issue and to demonstrate their commitment to and confidence in the prospects of the Group, the Orchid Entities have, pursuant to a letter of intention given to the Company dated 10 October 2022, stated their intention to subscribe or procure the subscription of their respective *pro rata* entitlement to the Rights Shares under the Rights Issue, amounting to an aggregate of 25,588,849 Rights Shares.

6. STATEMENT BY THE DIRECTORS

The Directors are of the opinion that after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. The Rights Issue will also provide all Shareholders with the opportunity to maintain their *pro rata* equity participation in the Company. For the reasons outlined in paragraph 2 above, the Directors believe that the Rights Issue is in the interest of the Company.

7. APPROVALS

7.1 Listing Approval

The Rights Issue is subject to the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Right Shares on the Mainboard of the SGX-ST. An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST.

7.2 Offer Information Statement

The Rights Issue is subject to the lodgement of an offer information statement (the "**Offer Information Statement**") together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, by the Company with the Monetary Authority of Singapore (the "**MAS**").

8. GENERAL

- 8.1 The terms and conditions of the Rights Issue are subject to such changes as the Directors, after consultation with the Manager, may deem appropriate. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be despatched or, as the case may be, disseminated by the Company to Entitled Shareholders in due course.
- 8.2 Shareholders and potential investors are advised to exercise caution in trading in the Company's Shares. The completion of the Rights Issue is subject to certain conditions, and there is no certainty or assurance that the proposed Rights Issue will be commenced or completed and that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional adviser immediately.

9. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement and save for their interests arising by way of their respective shareholding interests in the Company and/or directorships in the Company, as the case may be, none of the Directors and Substantial Shareholders has any interest, direct or indirect, in the Rights Issue.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

By Order Of The Board

LIM MING SEONG
CHAIRMAN
10 October 2022

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The securities referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States absent registration or an applicable exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and will contain detailed information about the Company and management, as well as financial statements. The Company has not registered and does not intend to register any of the securities referred to herein in the United States.

The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Company's current view on future events.