

**OFFER DOCUMENT
DATED 3 MARCH 2021**

**THIS OFFER DOCUMENT IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION.
PLEASE READ IT CAREFULLY.**



VOLUNTARY CONDITIONAL OFFER

for all the issued and paid-up ordinary shares in the capital of

CEI Limited

(Company Registration No.: 199905114H)
(Incorporated in the Republic of Singapore)

by



**PricewaterhouseCoopers Corporate Finance
Pte Ltd**

(Company Registration No.: 197501605H)
(Incorporated in the Republic of Singapore)

for and on behalf of



AEM Singapore Pte. Ltd.

(Company Registration No.: 199200362M)
(Incorporated in the Republic of Singapore)

OFFER CONSIDERATION

S\$1.15

for each Offer Share

The Offer Consideration
is **FINAL** and the Offeror
does **NOT** intend to revise
the Offer Consideration

CLOSE OF OFFER

ACCEPTANCES OF THE
OFFER SHOULD BE
RECEIVED BY **5.30 P.M.**
(SINGAPORE TIME)
ON 31 MARCH 2021
(OR SUCH LATER DATE(S)
AS MAY BE ANNOUNCED
FROM TIME TO TIME BY
OR ON BEHALF OF THE
OFFEROR)

If you are in any doubt about the Offer (as defined herein), you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

PricewaterhouseCoopers Corporate Finance Pte Ltd ("PwC CF") is acting for and on behalf of AEM Singapore Pte. Ltd. (the "Offeror") and does not purport to advise the shareholders of CEI Limited (the "Company") and/or any other person.

If you have sold or transferred all your Shares (as defined herein) held through CDP (as defined herein), you need not forward this Offer Document and the FAA (as defined herein) to the purchaser or transferee, as CDP will arrange for a separate notification (the "Notification") (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and FAA (as defined herein) to be sent to the purchaser or transferee. If you have sold or transferred all your Shares not deposited with CDP, you should immediately hand the Notification and the accompanying FAT (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

The views of the Independent Directors (as defined herein) and the independent financial adviser to the Independent Directors on the Offer will be made available to you in due course by the Company. You may wish to consider their views before taking any action in relation to the Offer. The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

The procedures for acceptance of the Offer are set out in Appendix 2 to this Offer Document and in the Acceptance Forms.

All capitalised terms shall, if not otherwise defined, bear the same meanings as ascribed to them in this Offer Document.

1. THE OFFER

On 15 February 2021, AEM Singapore Pte. Ltd. (the “**Offeror**”) announced its intention to make a voluntary conditional offer (the “**Offer**”) for all the issued and paid-up ordinary shares (excluding any shares held in treasury) (the “**Shares**”) in the capital of CEI Limited (the “**Company**” or “**CEI**”) other than those already held by the Offeror as at the date of the Offer (the “**Offer Shares**”).

2. THE OFFEROR

The Offeror is a company incorporated in Singapore on 20 January 1992 and is a direct wholly-owned subsidiary of AEM Holdings Ltd. (“**AEM Holdings**”). The Offeror is involved in the design and manufacturing of semiconductor manufacturing equipment and related tooling parts and precision machining of components.

The Offeror does not hold any Shares as at the Latest Practicable Date.

AEM Holdings is a company incorporated in Singapore on 21 July 2000 and is listed on the Main Board of the SGX-ST. AEM Holdings is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets. These activities are carried out through AEM Holdings’ subsidiaries (including the Offeror) (collectively, the “**AEM Group**”). Currently, the AEM Group has operations in Asia, Europe and North and Central Americas.

AEM Holdings does not hold any Shares as at the Latest Practicable Date.

3. WHAT DO I GET FOR MY SHARES IN THE COMPANY IF THE OFFER TURNS UNCONDITIONAL?

Offer Consideration

S\$1.15

for each Offer Share

The Offer Consideration is **FINAL** and the Offeror does **NOT** intend to revise the Offer Consideration

Option 1
100% Cash

S\$1.15 in Cash

Option 2
85% Cash &
15% Shares

**S\$0.9775 in Cash
and 0.0486 New AEM
Holdings Shares⁽¹⁾**

Option 3
70% Cash &
30% Shares

**S\$0.8050 in Cash
and 0.0972 New AEM
Holdings Shares⁽¹⁾**

Note:

(1) Please note that in the event the Offer Consideration is reduced by an amount which is equal to the Distribution (in accordance with Section 2.6 of the Letter to Shareholders in this Offer Document), the proportion of cash and New AEM Holdings Shares under the Cash Shares Consideration Options will be adjusted based on 85% in the form of cash and 15% in the form of New AEM Holdings Shares (in the case of the 85/15 Cash Shares Consideration) and 70% in the form of cash and 30% in the form of New AEM Holdings Shares (in the case of the 70/30 Cash Shares Consideration) and the exact amount of cash and number of New AEM Holdings Shares (based on the issue price of S\$3.55 per New AEM Holdings Share) payable under the Cash Shares Consideration Options will be announced by or on behalf of the Offeror at the appropriate time.

3. WHAT DO I GET FOR MY SHARES IN THE COMPANY IF THE OFFER TURNS UNCONDITIONAL? (CONT'D)

An illustration of the consideration to be received by a Shareholder who validly accepts the Offer⁽¹⁾

	OPTION 1	OPTION 2	OPTION 3
	CASH CONSIDERATION	85/15 CASH SHARES CONSIDERATION ⁽²⁾⁽³⁾	70/30 CASH SHARES CONSIDERATION ⁽²⁾⁽³⁾
1,000 OFFER SHARES	\$1,150.00 in cash	\$977.50 in cash + 48 New AEM Holdings Shares	\$805.00 in cash + 97 New AEM Holdings Shares
10,000 OFFER SHARES	\$11,500.00 in cash	\$9,775.00 in cash + 485 New AEM Holdings Shares	\$8,050.00 in cash + 971 New AEM Holdings Shares
50,000 OFFER SHARES	\$57,500.00 in cash	\$48,875.00 in cash + 2,429 New AEM Holdings Shares	\$40,250.00 in cash + 4,859 New AEM Holdings Shares

Notes:

- (1) Assuming the Offer becomes or is declared unconditional in all respects in accordance with its terms.
- (2) Fractions of a New AEM Holdings Share will not be issued to any holder of Offer Shares who accepts the Offer and elects either of the Cash Shares Consideration Options, and will be disregarded. The issue price for each New AEM Holdings Share pursuant to the Cash Shares Consideration Options above is S\$3.55.
- (3) Please note that in the event the Offer Consideration is reduced by an amount which is equal to the Distribution (in accordance with Section 2.6 of the Letter to Shareholders in this Offer Document), the proportion of cash and New AEM Holdings Shares under the Cash Shares Consideration Options will be adjusted based on 85% in the form of cash and 15% in the form of New AEM Holdings Shares (in the case of the 85/15 Cash Shares Consideration) and 70% in the form of cash and 30% in the form of New AEM Holdings Shares (in the case of the 70/30 Cash Shares Consideration) and the exact amount of cash and number of New AEM Holdings Shares (based on the issue price of S\$3.55 per New AEM Holdings Share) payable under the Cash Shares Consideration Options will be announced by or on behalf of the Offeror at the appropriate time.

4. WHY SHOULD I ACCEPT THE OFFER?

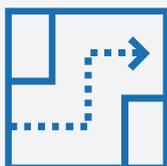
By accepting the Offer, Shareholders have the choice to:



Realise Profit on CEI Shares



Opportunity for Shareholders to Realise Investment in the Shares at a Premium to Historical 12 Months' Market Price⁽¹⁾



Opportunity to Exit a Stock with a Historically Low Trading Liquidity⁽²⁾



Grow Together with AEM Group



Opportunity to Participate in the Future Prospects of an Enlarged AEM Group at a Discount to the Current Market Price of AEM Holdings' Shares⁽³⁾



Opportunity to Realise a Mutually Beneficial and Synergistic Transaction for both AEM and CEI

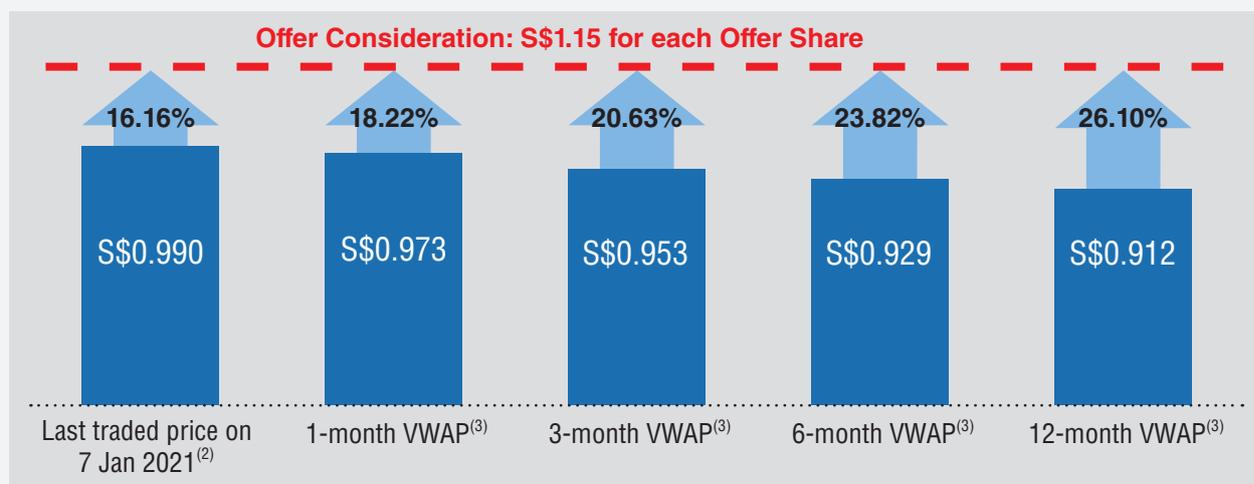
Notes:

- (1) Prior to 8 January 2021, being the last full trading day of the Shares prior to the Pre-Conditional Offer Announcement Date (the "Last Trading Day").
- (2) For the 12-month period up to and including the Last Trading Day.
- (3) The issue price of S\$3.55 per New AEM Holdings Share represents a discount of approximately 11.91% to the last transacted price per AEM Holdings Share of S\$4.03 as at the Latest Practicable Date.

4. WHY SHOULD I ACCEPT THE OFFER? (CONT'D)

A. Opportunity for Shareholders to Realise Investment in the Shares at a Premium to Historical 12 Months' Market Price

(i) The Offer Consideration represents a premium to historical market prices⁽¹⁾



(ii) The Offer Consideration exceeds the highest price of the Shares in over three years preceding the Last Trading Day



Notes:

- (1) The historical market prices of the Shares rounded to the nearest three (3) decimal places and the corresponding premia are computed based on data extracted from Bloomberg L.P.
- (2) The last full Market Day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day of 8 Jan 2021.
- (3) Statistics are for the period up to and including the Last Trading Day.

4. WHY SHOULD I ACCEPT THE OFFER? (CONT'D)

B. Opportunity to Exit a Stock that has a Historically Low Trading Liquidity

Historically, the trading volume of the Shares has been low. The Offer therefore provides Shareholders with an opportunity to realise their entire investment in the Shares at a premium over the historical 12-months' market prices which may not otherwise be readily available to Shareholders given the historically low trading liquidity of the Shares.

Period	1-month	3-month	6-month	12-month
Average daily trading volume ⁽¹⁾	24,786	21,418	20,649	25,958
As a % of total issued Shares (excl. treasury shares)	0.03%	0.02%	0.02%	0.03%

Source: Bloomberg L.P.

C. Opportunity to Participate in the Future Prospects of an Enlarged AEM Group at a Discount to the Current Market Price of AEM Holdings' Shares

The Cash Shares Consideration Options provide Shareholders with an opportunity to participate in the future prospects of an enlarged AEM Group, while still realising value for part of their investment in the Company. The issue price of S\$3.55 for each New AEM Holdings Share represents a discount of approximately (i) 2.74% to the last transacted price per AEM Holdings Share of S\$3.65 as at the Last Trading Day, (ii) 17.44% to the last transacted price per AEM Holdings Share of S\$4.30 as at 11 February 2021 (being the last trading day prior to the Offer Announcement Date) and (iii) 11.91% to the last transacted price per AEM Holdings Share of S\$4.03 as at the Latest Practicable Date.

Note:

(1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated by using the total volume of Shares traded divided by the number of market days with respect to the 1-month, 3-month, 6-month and 12-month period up to and including the Last Trading Day.

4. WHY SHOULD I ACCEPT THE OFFER? (CONT'D)

D. Opportunity to Realise a Mutually Beneficial and Synergistic Transaction for both AEM and CEI

The AEM Group believes that the business and operations of the Company are a strategic fit and will provide synergistic benefits to the business and operations of both the AEM Group and the Company. Some of the synergistic benefits are as follows:



5. WHAT IS REQUIRED FOR THE OFFER TO TURN UNCONDITIONAL?

The Offer will become or be declared unconditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares as at the close of the Offer (excluding treasury shares).

The Offeror has received irrevocable undertakings from the Undertaking Shareholders, holding approximately 23.68% of the total number of issued Shares, pursuant to which each of the Undertaking Shareholders has undertaken to accept the Offer in respect of their Shares and to elect the 85/15 Cash Shares Consideration or the Cash Consideration as the Offer Consideration.

6. VIEWS OF THE INDEPENDENT DIRECTORS AND THE INDEPENDENT FINANCIAL ADVISER

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available in the circular to be despatched by the Company to the Shareholders in due course and in any event, within 14 days after the despatch of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

How can I accept the Offer?



STEP #1

LOCATE THE RELEVANT ACCEPTANCE FORM

If your Offer Shares are deposited with CDP

Look for the printed copy of the FAA sent to you and proceed to Step #2 below

If your Offer Shares are not deposited with CDP

Look for the printed copy of the FAT sent to you and refer to the procedures for acceptance within the FAT and Appendix 2 to this Offer Document

If you are a CPFIS Investor and/or SRS Investor

Contact your respective CPF/SRS Agent Bank

If you have misplaced the FAA/FAT

Electronic copies are available from the website of the SGX-ST at www.sgx.com. Alternatively, (a) the FAA can be obtained, upon production of satisfactory evidence that you are a Shareholder, from CDP by contacting CDP Customer Services at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com for details, and (b) the FAT can be obtained from the office of the Registrar at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

STEP #2

FILL IN YOUR DETAILS AND RETURN THE ACCEPTANCE FORM BY POST TO ACCEPT THE OFFER

- Check or fill in your personal particulars, Securities Account Number and the number of Offer Shares held by you
- Under Declaration # 1 in Section C, select one of the three available options: "Option 1: Cash Consideration" **OR** "Option 2: 85/15 Cash Shares Consideration" **OR** "Option 3: 70/30 Cash Shares Consideration"
- Under Declaration #2 in Section C, select one of the two available options: "All the Offer Shares indicated in Section A" **OR** "The number of Offer Shares as indicated in the box below" and fill in the number of Offer Shares in the "Free Balance" of your CDP Securities Account that you wish to tender in the acceptance of the Offer

C Declarations by Shareholder

I/we wish to accept the Offer for the number of Offer Shares as indicated below.

Declaration #1 – Offer Consideration Options (Choose **ONE** out of the three available options)

Fractions of a new ordinary share in the capital of AEM Holdings Ltd. ("New AEM Holdings Share") will not be issued to any holder of Offer Shares who accepts the Offer and elects either the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration, and will be disregarded.

Option 1

Cash Consideration

For each Offer Share:

– S\$1.15 in cash

Option 2

85/15 Cash Shares

Consideration⁽¹⁾

For each Offer Share:

– S\$0.9775 in cash and

– 0.0486 New AEM Holdings Shares

Option 3

70/30 Cash Shares

Consideration⁽¹⁾

For each Offer Share:

– S\$0.8050 in cash and

– 0.0972 New AEM Holdings Shares

Choose one Offer Consideration option

Declaration #2 – Number of Offer Shares Tendered (Choose **ONE** out of the two available options)

All the Offer Shares indicated in Section A

The number of Offer Shares as indicated in the box below

Choose number of Offer Shares to tender

How can I accept the Offer?



STEP #2 (CONT'D)

FILL IN YOUR DETAILS AND RETURN THE ACCEPTANCE FORM BY POST TO ACCEPT THE OFFER

- Please proceed to sign and fill in the applicable date at the bottom of Section C of the FAA

By signing below, I/we agree to the terms and conditions of the Offer as set out in the Offer Document and in this FAA, including the section "Authorisation" on page 2 of this FAA.

Specimen

Signature(s) of Depositor(s)/Joint Depositors

← **Sign here**

Date

← **Date here**

- Return the completed FAA in the pre-addressed envelope which is enclosed with the FAA so as to arrive **NOT LATER THAN 5.30 p.m (Singapore time) on 31 MARCH 2021** (or such later date(s) as may be announced from time to time by or on behalf of the Offeror).

What are the important dates and times?



Despatch of the Offer Document	3 March 2021
Despatch of the Company's circular containing the views of the Independent Directors and the independent financial adviser	No later than 17 March 2021
Closing date and time	5.30 p.m. (Singapore time) on 31 March 2021 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror)

Who can I call if I have inquiries in relation to the Offer?

Any inquiries relating to the Offer should be directed during office hours to:

PricewaterhouseCoopers Corporate Finance Pte Ltd

Telephone: +65 6592 4719

Important Notice

The information in this section is a summary of the Offer and is qualified by, and should be read in conjunction with, the full information contained in the rest of this Offer Document. In the event of any inconsistency or conflict between the terms of this summary and the rest of this Offer Document, the terms set out in the rest of this Offer Document shall prevail.

Nothing in this section is intended to be, or shall be taken as, advice, recommendation or solicitation to the Shareholders or any other party. PricewaterhouseCoopers Corporate Finance Pte Ltd is acting for and on behalf of the Offeror and does not purport to advise the Shareholders of the Company and/or any other person.

Shareholders should read the Company's circular in relation to the Offer after it is despatched and carefully consider the information and advice contained in that circular.

Responsibility Statement

The directors of the Offeror and AEM Holdings (including any director who may have delegated detailed supervision of the preparation of this Offer Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this summary of the Offer are fair and accurate and that no material facts have been omitted from this summary of the Offer, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company Group), the sole responsibility of the directors of the Offeror and AEM Holdings has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this summary of the Offer.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document and the Acceptance Forms:

<i>“70/30 Cash Shares Consideration”</i>	:	Shall have the meaning ascribed to it in Section 2.3(iii) of the Letter to Shareholders in this Offer Document
<i>“85/15 Cash Shares Consideration”</i>	:	Shall have the meaning ascribed to it in Section 2.3(ii) of the Letter to Shareholders in this Offer Document
<i>“Acceptance Forms”</i>	:	The FAA and the FAT collectively or any one of them, as the case may be
<i>“ACRA”</i>	:	The Accounting and Corporate Regulatory Authority of Singapore
<i>“AEM Group”</i>	:	AEM Holdings and its subsidiaries
<i>“AEM Group Financial Statements”</i>	:	Shall have the meaning ascribed to it in Paragraph 4 of Appendix 4 to this Offer Document
<i>“AEM Group FY2020 Unaudited Results”</i>	:	The unaudited consolidated financial statements of the AEM Group for the financial year ended 31 December 2020 as released by AEM Holdings on the SGX-ST on 25 February 2021
<i>“AEM Holdings”</i>	:	AEM Holdings Ltd.
<i>“AEM Holdings Awards”</i>	:	The awards granted pursuant to the AEM Holdings Performance Share Plan
<i>“AEM Holdings Options”</i>	:	The options granted pursuant to the AEM Holdings Share Option Scheme
<i>“AEM Holdings Registrar”</i>	:	Boardroom Corporate & Advisory Services Pte. Ltd. in its capacity as the share registrar of AEM Holdings
<i>“AEM Holdings Securities”</i>	:	(a) AEM Holdings Shares; (b) securities which carry voting rights in AEM Holdings; or (c) convertible securities, warrants, options or derivatives in respect of AEM Holdings Shares or securities which carry voting rights in AEM Holdings
<i>“AEM Holdings Shares”</i>	:	Shall have the meaning ascribed to it in Section 5.2 (AEM Holdings) of the Letter to Shareholders in this Offer Document

<i>“Business Day”</i>	:	A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
<i>“Cash Consideration”</i>	:	Shall have the meaning ascribed to it in Section 2.3(i) of the Letter to Shareholders in this Offer Document
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Closing Date”</i>	:	5.30 p.m. (Singapore time) on 31 March 2021 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last date and time for lodgement of acceptances of the Offer
<i>“Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50 of Singapore
<i>“Company”</i>	:	CEI Limited
<i>“Company Group”</i>	:	The Company and its subsidiaries
<i>“Company Securities”</i>	:	(a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options or derivatives in respect of Shares or securities which carry voting rights in the Company
<i>“Concert Parties”</i>	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
<i>“CPF Agent Banks”</i>	:	Agent banks included under the CPFIS
<i>“CPFIS”</i>	:	Central Provident Fund Investment Scheme
<i>“CPFIS Investors”</i>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<i>“Date of Receipt”</i>	:	The date of receipt of the relevant Acceptance Form by CDP or the Registrar (as the case may be) on behalf of the Offeror
<i>“DCS”</i>	:	Shall have the meaning ascribed to it in Paragraph 2(a) of Appendix 1 to this Offer Document
<i>“Despatch Date”</i>	:	3 March 2021, being the date of despatch of the Notification, the FAA and the FAT, and electronic dissemination of this Offer Document and any related documents

<i>“Directors”</i>	:	Directors of the Offeror and of AEM Holdings (as the case may be) as at the Latest Practicable Date
<i>“Dissenting Shareholders”</i>	:	Shall have the meaning ascribed to it in Section 10.1 (Compulsory Acquisition) of the Letter to Shareholders in this Offer Document
<i>“Distributions”</i>	:	Any dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares
<i>“Electronic Acceptance”</i>	:	The SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents
<i>“Encumbrances”</i>	:	Any claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever
<i>“FAA”</i>	:	Form of Acceptance and Authorisation for Offer Shares, which forms part of this Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
<i>“FAT”</i>	:	Form of Acceptance and Transfer for Offer Shares, which forms part of this Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
<i>“Final Day Rule”</i>	:	Shall have the meaning ascribed to it in Paragraph 1.5 of Appendix 1 to this Offer Document
<i>“FY”</i>	:	Financial year ended 31 December
<i>“in scrip form”</i>	:	Shall have the meaning ascribed to it in Paragraph 2.1 of Appendix 2 to this Offer Document
<i>“Independent Directors”</i>	:	The directors of the Company who are considered to be independent for the purposes of the Offer
<i>“Individual Undertaking Shareholders”</i>	:	Mr. Tien Sing Cheong and Mr. Tan Ka Huat
<i>“Irrevocable Undertakings”</i>	:	Shall have the meaning ascribed to it in Section 7.1 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document
<i>“Last Trading Day”</i>	:	8 January 2021, being the last full trading day prior to the Pre-Conditional Offer Announcement Date
<i>“Latest Practicable Date”</i>	:	26 February 2021, being the latest practicable date prior to the electronic dissemination of this Offer Document

<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities
<i>“Minimum Acceptance Condition”</i>	:	Shall have the meaning ascribed to it in Section 2.7 (Minimum Acceptance Condition) of the Letter to Shareholders in this Offer Document
<i>“New AEM Holdings Shares”</i>	:	Shall have the meaning ascribed to it in Section 2.3 (Offer Consideration) of the Letter to Shareholders in this Offer Document
<i>“Notification”</i>	:	Notification of electronic dissemination of this Offer Document and its related documents dated 3 March 2021
<i>“Offer”</i>	:	The voluntary conditional offer by PwC CF, for and on behalf of the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT, as such offer may be amended or extended from time to time by or on behalf of the Offeror
<i>“Offer Announcement”</i>	:	The announcement in connection with the Offer released by PwC CF, for and on behalf of the Offeror, on the Offer Announcement Date
<i>“Offer Announcement Date”</i>	:	15 February 2021, being the date of the Offer Announcement
<i>“Offer Consideration”</i>	:	Shall have the meaning ascribed to it in Section 2.3 (Offer Consideration) of the Letter to Shareholders in this Offer Document
<i>“Offer Document”</i>	:	This document dated 3 March 2021, including the FAA and FAT, and any other document(s) which may be issued for and on behalf of the Offeror to amend, revise, supplement or update this document from time to time
<i>“Offer Period”</i>	:	The period commencing from the Pre-Conditional Offer Announcement Date until the date the Offer is declared to have closed or lapsed
<i>“Offer Settlement Date”</i>	:	Shall have the meaning ascribed to it in Section 2.6 (Adjustment for Distributions) of the Letter to Shareholders in this Offer Document
<i>“Offer Shares”</i>	:	All the issued Shares to which the Offer relates, as described in Sections 2.1 (Offer) and 2.2 (Offer Shares) of the Letter to Shareholders in this Offer Document
<i>“Offeror”</i>	:	AEM Singapore Pte. Ltd.

<i>“Options”</i>	:	Shall have the meaning ascribed to it in Section 2.8 (No Options Proposal) of the Letter to Shareholders in this Offer Document
<i>“Overseas Shareholder”</i>	:	A Shareholder whose address is outside Singapore as shown in the Register or in the Depository Register (as the case may be)
<i>“Pre-Conditional Offer Announcement”</i>	:	The announcement dated 11 January 2021 issued by PwC CF for and on behalf of the Offeror in connection with the pre-conditional voluntary offer for the Company
<i>“Pre-Conditional Offer Announcement Date”</i>	:	11 January 2021, being the date of the Pre-Conditional Offer Announcement
<i>“PwC CF”</i>	:	PricewaterhouseCoopers Corporate Finance Pte Ltd
<i>“Record Date”</i>	:	In relation to any Distributions, the date on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
<i>“Reference Period”</i>	:	The period commencing three (3) months prior to the Pre-Conditional Offer Announcement Date and ending on the Latest Practicable Date
<i>“Register”</i>	:	The register of holders of the Shares, as maintained by the Registrar
<i>“Registrar”</i>	:	In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.), in its capacity as the share registrar of the Company
<i>“Relevant Day”</i>	:	Shall have the meaning ascribed to it in Paragraph 3.1 of Appendix 1 to this Offer Document
<i>“Relevant Persons”</i>	:	Shall have the meaning ascribed to it in Paragraph 3.10(a) of Appendix 2 to this Offer Document
<i>“Restricted Jurisdiction”</i>	:	Shall have the meaning ascribed to it in Section 14.1 (Overseas Jurisdictions) of the Letter to Shareholders in this Offer Document
<i>“Rule 22.6 Period”</i>	:	Shall have the meaning ascribed to it in Paragraph 1.4 of Appendix 1 to this Offer Document
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<i>“Settled Shares”</i>	:	Shall have the meaning ascribed to it in Paragraph 1.1.1(d)(ii) of Appendix 2 to this Offer Document

“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Holders of the Offer Shares, including persons whose Offer Shares are deposited with CDP or who have purchased Offer Shares on the SGX-ST
“Shares”	:	Ordinary shares in the capital of the Company
“Shut-Off Notice”	:	Shall have the meaning ascribed to it in Paragraph 1.4 of Appendix 1 to this Offer Document
“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	The Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under SRS
“SRS Investors”	:	Investors who purchase Shares pursuant to SRS
“TIHT”	:	TIHT Investment Holdings Pte. Ltd.
“Undertaking Shareholders”	:	TIHT and the Individual Undertaking Shareholders
“Undertaking Shares”	:	Shall have the meaning ascribed to it in Section 7.1 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document
“Unsettled Buy Position”	:	Shall have the meaning ascribed to it in Paragraph 1.1.1(d)(ii) of Appendix 2 to this Offer Document
“VWAP”	:	Volume weighted average price
“\$” or “S\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent.”	:	Per centum or percentage

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

Announcements and Notices. References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by PwC CF or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

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

Genders. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Offer Document. References to “**Offer Document**” shall include the Acceptance Forms, unless the context otherwise requires.

Rounding. Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to “**you**”, “**your**” and “**yours**” in this Offer Document are, as the context so determines, to Shareholders.

Statutes. Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Code or the Listing Manual or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Code or the Listing Manual or any modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary and Related Corporation. References to “**subsidiary**” and “**related corporation**” shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of the day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise stated.

Total number of issued Shares. Unless otherwise stated, references in this Offer Document to the total number of issued Shares are based on 86,698,463 Shares (excluding 1,235,750 treasury shares) in issue as at the Latest Practicable Date (based on the business profile of the Company extracted from ACRA on the Latest Practicable Date), unless otherwise stated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror, AEM Holdings nor PwC CF undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

PRICEWATERHOUSECOOPERS CORPORATE FINANCE PTE LTD

(Company Registration No.: 197501605H)
(Incorporated in the Republic of Singapore)

3 March 2021

To: **The Shareholders of CEI Limited**

Dear Sir/Madam

VOLUNTARY CONDITIONAL OFFER BY PRICEWATERHOUSECOOPERS CORPORATE FINANCE PTE LTD FOR AND ON BEHALF OF THE OFFEROR FOR THE OFFER SHARES

1. INTRODUCTION

- 1.1 **Offer Announcement.** On 15 February 2021, PwC CF announced, for and on behalf of the Offeror, that the Offeror intends to make the Offer for the Offer Shares at the Offer Consideration of S\$1.15 for each Offer Share.

A copy of the Offer Announcement is available on the website of the SGX-ST at <http://www.sgx.com>.

- 1.2 **Offer Document.** This Offer Document contains the formal Offer by PwC CF, for and on behalf of the Offeror, to acquire all the Offer Shares subject to the terms and conditions set out in this Offer Document and the Acceptance Forms. Shareholders are urged to read this Offer Document carefully.

2. THE OFFER

- 2.1 **Offer.** PwC CF, for and on behalf of the Offeror, hereby makes the Offer to acquire all the Offer Shares in accordance with Rule 15 of the Code and on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT.

- 2.2 **Offer Shares.** The Offer will be extended to all the Shares other than those already held by the Offeror as at the date of the Offer (the "**Offer Shares**").

For the avoidance of doubt, the Offer will be extended, on the same terms and conditions, to all the Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror. For the purpose of the Offer, the expression "**Offer Shares**" shall include the aforesaid Shares.

- 2.3 **Offer Consideration.** The consideration for each Offer Share will be S\$1.15 (the "**Offer Consideration**"), to be satisfied, at the option of Shareholders who validly accept the Offer, either in cash or a combination of cash and new ordinary shares in the capital of AEM Holdings (the "**New AEM Holdings Shares**") in the following proportions:

For each Offer Share, either:

- (i) **S\$1.15 in cash (the "Cash Consideration");**
- (ii) **S\$0.9775 in cash and 0.0486 New AEM Holdings Shares (the "85/15 Cash Shares Consideration"); or**

- (iii) **S\$0.8050 in cash and 0.0972 New AEM Holdings Shares (the “70/30 Cash Shares Consideration” and together with the 85/15 Cash Shares Consideration, the “Cash Shares Consideration Options”).**

Fractions of a New AEM Holdings Share will not be issued to any holder of Offer Shares who accepts the Offer and elects either of the Cash Shares Consideration Options, and will be disregarded. The issue price for each New AEM Holdings Share pursuant to the Cash Shares Consideration Options above is S\$3.55.

Shareholders can only elect one (1) out of the three (3) forms of the Offer Consideration set out above and not a combination thereof in respect of their Offer Shares.

If Shareholders fail to elect their preferred mode of the Offer Consideration, they will be deemed to have chosen to receive the Cash Consideration in respect of all of their Offer Shares tendered in acceptance of the Offer.

The Offer Consideration is final and the Offeror does not intend to revise the Offer Consideration.

By way of illustration:

- (A) a Shareholder who accepts the Offer and elects to receive the Cash Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$1,150 in cash;
- (B) a Shareholder who accepts the Offer and elects to receive the 85/15 Cash Shares Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$977.50 in cash and 48 New AEM Holdings Shares; and
- (C) a Shareholder who accepts the Offer and elects to receive the 70/30 Cash Shares Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$805 in cash and 97 New AEM Holdings Shares.

2.4 **New AEM Holdings Shares.** The New AEM Holdings Shares will be listed on the SGX-ST and will, upon issue, be credited as fully-paid and free from all Encumbrances (as defined below) and will rank *pari passu* in all respects with the then existing shares in AEM Holdings as at the date of their issue, save that they will not rank for any dividend, rights, allotments or other distributions, the record date for which falls on or before the date of completion of the allotment and issuance of the New AEM Holdings Shares pursuant to the Offer.

Pursuant to the Offer and based on the terms of the Offer as at the Offer Announcement Date, AEM Holdings will issue (assuming full acceptance of the Offer and that all accepting Shareholders elect to receive the 70/30 Cash Shares Consideration, save for the Individual Undertaking Shareholders and TIHT (each as defined below) who have undertaken to accept the Offer and have elected to receive the 85/15 Cash Shares Consideration and the Cash Consideration respectively) up to approximately 7,047,237 New AEM Holdings Shares representing approximately 2.56% of the total number of issued shares in the capital of AEM Holdings (excluding treasury shares) as at the Offer Announcement Date and approximately 2.49% of the enlarged total number of issued shares in the capital of AEM Holdings. Such New AEM Holdings Shares will be allotted and issued pursuant to the general share issue mandate approved by the shareholders of AEM Holdings by way of an ordinary resolution at the annual general meeting of AEM Holdings held on 21 May 2020.

2.5 **No Encumbrances.** The Offer Shares are to be acquired (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Pre-Conditional Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any), the Record Date for which falls on or after the Pre-Conditional Offer Announcement Date.

2.6 **Adjustment for Distributions.** Without prejudice to the foregoing, the Offer Consideration has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution, the Record Date for which falls on or after the Pre-Conditional Offer Announcement Date. In the event of any such Distribution, the Offer Consideration payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer (the “**Offer Settlement Date**”) falls:

(a) if the Offer Settlement Date falls on or before the Record Date and the Offeror is registered as the holder of the relevant Offer Shares as at the Record Date, the Offeror will pay the relevant accepting Shareholders the unadjusted Offer Consideration of S\$1.15 for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and

(b) if the Offer Settlement Date falls after the Record Date, or if the Offer Settlement Date falls on or before the Record Date but the Offeror is not registered as the holder of the relevant Offer Shares as at the Record Date, the Offer Consideration payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.

Please note that in the event the Offer Consideration is reduced by an amount which is equal to the Distribution, the proportion of cash and New AEM Holdings Shares under the Cash Shares Consideration Options will be adjusted based on 85% in the form of cash and 15% in the form of New AEM Holdings Shares (in the case of the 85/15 Cash Shares Consideration) and 70% in the form of cash and 30% in the form of New AEM Holdings Shares (in the case of the 70/30 Cash Shares Consideration) and the exact amount of cash and number of New AEM Holdings Shares (based on the issue price of S\$3.55 per New AEM Holdings Share) payable under the Cash Shares Consideration Options will be announced by or on behalf of the Offeror at the appropriate time.

2.7 **Minimum Acceptance Condition.** The Offer is conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares as at the close of the Offer (excluding treasury shares) (the “**Minimum Acceptance Condition**”).

Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.

2.8 **No Options Proposal.** Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company (“**Options**”) as at the Latest Practicable Date. In view of the foregoing, the Offeror will not make an offer to acquire any Options.

- 2.9 **Warranty.** A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably represent, warrant and undertake to the Offeror that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Pre-Conditional Offer Announcement Date, and thereafter attaching thereto, including the right to all Distributions (if any), the Record Date for which falls on or after the Pre-Conditional Offer Announcement Date.

3. FURTHER DETAILS OF THE OFFER

Appendix 1 to this Offer Document sets out further details on:

- (a) the duration of the Offer;
- (b) the settlement of the consideration for the Offer;
- (c) the requirements relating to the announcement(s) of the level of acceptances of the Offer; and
- (d) the right of withdrawal of acceptances of the Offer.

4. PROCEDURES FOR ACCEPTANCE

Appendix 2 to this Offer Document sets out the procedures for acceptance of the Offer by a Shareholder.

5. INFORMATION ON THE OFFEROR AND AEM HOLDINGS

- 5.1 **The Offeror.** The Offeror is a company incorporated in Singapore on 20 January 1992 and is a direct wholly-owned subsidiary of AEM Holdings. The Offeror is involved in the design and manufacturing of semiconductor manufacturing equipment and related tooling parts and precision machining of components.

As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$10,194,491 comprising 10,194,491 ordinary shares, of which 100% is held by AEM Holdings.

As at the Latest Practicable Date, the Directors of the Offeror are as follows:

- (a) Mr. Chandran Ramesh Nair (Chief Executive Officer of AEM Holdings); and
- (b) Ms. Leong Sook Han (Chief Financial Officer and Joint Company Secretary of AEM Holdings).

As at the Latest Practicable Date, the Offeror does not hold any Shares.

- 5.2 **AEM Holdings.** AEM Holdings is a company incorporated in Singapore on 21 July 2000 and is listed on the Main Board of the SGX-ST. AEM Holdings is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets. These activities are carried out through AEM Holdings' subsidiaries (including the Offeror). Currently, the AEM Group has operations in Asia, Europe and North and Central Americas.

As at the Latest Practicable Date, AEM Holdings has an issued and paid-up capital of S\$50,726,976.08 comprising 276,862,980 issued ordinary shares (the “**AEM Holdings Shares**”) (of which 1,305,313 are treasury shares).

As at the Latest Practicable Date, the Directors of AEM Holdings are as follows:

- (a) Mr. Loke Wai San (Non-Executive Chairman and Director);
- (b) Mr. Chok Yean Hung (Non-Executive, Non-Independent Director);
- (c) Mr. Basil Chan (Independent Director);
- (d) Mr. Loh Kin Wah (Independent Director);
- (e) Mr. Adrian Chan Pengee (Lead Independent Director);
- (f) Mr. James Toh Ban Leng (Non-Executive, Non-Independent Director); and
- (g) Mr. Lavi Alexander Lev (Independent Director).

As at the Latest Practicable Date, AEM Holdings does not hold any Shares.

5.3 **Additional Information.** Additional information on the Offeror and AEM Holdings is set out in Appendix 3 and Appendix 4 to this Offer Document.

6. INFORMATION ON THE COMPANY

6.1 **The Company.** The Company is a company incorporated in Singapore on 28 August 1999, and was listed on the Main Board of the SGX-ST in March 2000.

The principal activities of the Company Group are those of contract manufacturing and design and manufacture of proprietary equipment. Contract manufacturing services include (a) assemblies of printed circuit board, box-build, prototype and equipment, and (b) value add engineering works such as circuit layout and functional design. The Company also designs and manufactures its own brand of proprietary equipment for the semiconductor industry. The Company Group has operations in Singapore, Indonesia and Vietnam.

Based on the business profile of the Company extracted from ACRA on the Latest Practicable Date, the Company has an issued and paid-up share capital of approximately S\$23,572,686.36 comprising 87,934,213 Shares (of which 86,698,463 are ordinary shares and 1,235,750 are treasury shares).

As at the Latest Practicable Date, the Offeror is not aware of any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

As at the Latest Practicable Date, the directors of the Company are as follows:

- (a) Mr. Tien Sing Cheong (Executive Chairman);
- (b) Mr. Tan Ka Huat (Managing Director);
- (c) Mr. Tan Bien Chuan (Lead Independent Director);
- (d) Mr. Gan Chee Yen (Non-Executive Director);

- (e) Dr. Martin Tang Yue Nien (Independent Director);
- (f) Ms. Theng Siew Lian Lisa (Independent Director); and
- (g) Mr. Wang Ya Lun Allen (Alternate Director to Mr. Gan Chee Yen).

6.2 **Additional Information.** Additional information on the Company is set out in Appendix 5 to this Offer Document.

7. IRREVOCABLE UNDERTAKINGS

7.1 **Irrevocable Undertakings.** As at the Latest Practicable Date, the Offeror has received irrevocable undertakings (the “**Irrevocable Undertakings**”) from the Undertaking Shareholders pursuant to which each of the Undertaking Shareholders has, amongst other things, unconditionally and irrevocably undertaken to the Offeror to tender all of its/his respective Shares (the “**Undertaking Shares**”) in acceptance of the Offer and to elect the 85/15 Cash Shares Consideration or the Cash Consideration (as stated below) as the Offer Consideration for the Undertaking Shares.

The names of the Undertaking Shareholders, the number of Shares owned by them as at the Offer Announcement Date and the form of the Offer Consideration elected are as follows:

No.	Name of Undertaking Shareholder	No. of Shares which are the subject of the Irrevocable Undertaking	Percentage of Shares in issue (%) ⁽¹⁾	Form of Offer Consideration
1.	Mr. Tien Sing Cheong ⁽²⁾	8,671,900	10.00	85/15 Cash Shares Consideration
2.	Mr. Tan Ka Huat ⁽²⁾	4,013,340	4.63	85/15 Cash Shares Consideration
3.	TIHT Investment Holdings Pte. Ltd.	7,840,800	9.04	Cash Consideration
Total		20,526,040	23.68	

Notes:

(1) Based on a total number of 86,698,463 Shares (excluding 1,235,750 treasury shares) as at the Latest Practicable Date.

(2) Each of Mr. Tien Sing Cheong and Mr. Tan Ka Huat is a director of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, based on the latest information available to the Offeror, each of the Undertaking Shareholders (a) does not hold any AEM Holdings Securities and (b) has not dealt for value in any AEM Holdings Securities nor Company Securities during the Reference Period.

7.2 **Termination of Irrevocable Undertakings.** Each of the Irrevocable Undertakings shall lapse and cease to have any effect:

- (a) on the date on which the Offer lapses or is withdrawn for any reason other than a breach of the Undertaking Shareholders' obligations under their respective Irrevocable Undertakings; or
- (b) (in respect of the Irrevocable Undertakings provided by the Individual Undertaking Shareholders only) on the date on which any bona fide competing offer for all the voting shares of the Company at a higher price than the Offer Consideration becomes or is declared unconditional (provided that the Individual Undertaking Shareholders have not accepted such competing offer),

whichever is earlier.

7.3 **No Other Undertakings.** Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any of its Concert Parties has received any irrevocable undertaking from any party to accept or reject the Offer.

8. RATIONALE FOR THE OFFER

8.1 **Business Synergy.** The AEM Group believes that the business and operations of the Company are a strategic fit and will provide synergistic benefits to the business and operations of the AEM Group. Some of the synergistic benefits are as follows:

- (a) the Company's printed circuit board assembly capabilities will enable the AEM Group to have improved vertical integration with a higher level of control towards quality and agility over the entire supply chain;
- (b) the Company's regional infrastructure will enable the AEM Group to further increase the level of services to its customers by creating a site-resilient infrastructure that is essential as companies are rethinking the effectiveness of their current supply chain and manufacturing strategies as a result of the pandemic and increasing geo-political tensions;
- (c) the Company's assembly and box build capabilities will further enhance the AEM Group's service and product offering and in-house key capabilities;
- (d) the AEM Group's scale will provide wider customer reach and extensive cross selling opportunities as well as benefit the Company's branding and positioning in respect of semiconductor equipment; and
- (e) the acquisition of the Company by the AEM Group allows both the AEM Group and the Company to improve overall manufacturing process and efficiency through sharing of know-how and best practices.

8.2 **Opportunity for Shareholders to Realise their Investment in the Shares at a Premium to Market Price without incurring Brokerage Costs.** The Offer Consideration represents a premium of approximately 18.22%, 20.63%, 23.82% and 26.10% over the VWAP per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods up to and including the Last Trading Day.

The Cash Consideration therefore presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium over the historical trading prices of the Shares (before the Last Trading Day) without incurring brokerage and other trading costs.

8.3 **Opportunity to Participate in the Future Prospects of an Enlarged AEM Group at a Discount to the Current Market Price of AEM Holdings Shares.** The Cash Shares Consideration Options provide Shareholders with an opportunity to participate in the future prospects of an enlarged AEM Group, whilst still realising value for part of their investment in the Company. The issue price of S\$3.55 for each New AEM Holdings Share represents a discount of approximately (i) 2.74% to the last transacted price per AEM Holdings Share of S\$3.65 as at the Last Trading Day, (ii) 17.44% to the last transacted price per AEM Holdings Share of S\$4.30 as at 11 February 2021, being the last trading day prior to the Offer Announcement Date, and (iii) 11.91% to the last transacted price per AEM Holdings Share of S\$4.03 as at the Latest Practicable Date.

8.4 **Opportunity to Exit a Stock that has a Historically Low Trading Liquidity.** The trading volume of the Shares has been low, with an average daily trading volume of approximately 24,786 Shares, 21,418 Shares, 20,649 Shares and 25,958 Shares during the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day. These represent only 0.03%, 0.02%, 0.02% and 0.03% of the total number of issued Shares (excluding treasury shares) for the aforementioned relevant periods, respectively.

The Offer therefore provides Shareholders with an opportunity to realise their entire investment in the Shares at a premium over the historical 12 months' market prices¹ which may not otherwise be readily available to Shareholders given the historically low trading liquidity of the Shares.

8.5 **Costs of Maintaining Listing Status.** In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual. The Offeror is making the Offer with a view to delisting and privatising the Company. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.

9. THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY

The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.

In the event the Offer becomes or is declared unconditional in all respects in accordance with its terms and the Company becomes an indirect subsidiary of AEM Holdings, the Directors of AEM Holdings may review and make changes to the Company's existing practice regarding the payment of dividends to Shareholders, having regard to the AEM Group's dividend policy and factors including but not limited to the Company Group's retained earnings, financial position, capital expenditure requirements, future expansion and investment plans.

Save as disclosed above, the Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company, (b) re-deploy the fixed assets of the Company, or (c) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

1 As of the Last Trading Day.

10. COMPULSORY ACQUISITION AND LISTING STATUS

- 10.1 **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), at a consideration equal to the Offer Consideration.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Consideration in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury). Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

- 10.2 **Listing Status.** Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its Concert Parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 500 Shareholders who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

11. FINANCIAL ASPECTS OF THE OFFER

The Offer Consideration of S\$1.15 for each Offer Share represents the following premia over certain historical market prices of the Shares² as set out below:

	Description	Share Price (S\$)	Premium over Benchmark Price (%)
(a)	Last traded price of the Shares on the SGX-ST on 7 January 2021 (being the last Market Day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day)	0.990	16.16
(b)	VWAP for the 1-month period up to and including the Last Trading Day	0.973	18.22
(c)	VWAP for the 3-month period up to and including the Last Trading Day	0.953	20.63
(d)	VWAP for the 6-month period up to and including the Last Trading Day	0.929	23.82
(e)	VWAP for the 12-month period up to and including the Last Trading Day	0.912	26.10

The issue price of S\$3.55 per New AEM Holdings Share represents a discount of approximately (i) 2.74% to the last transacted price per AEM Holdings Share of S\$3.65 as at the Last Trading Day, (ii) 17.44% to the last transacted price per AEM Holdings Share of S\$4.30 as at 11 February 2021, being the last trading day prior to the Offer Announcement Date, and (iii) 11.91% to the last transacted price per AEM Holdings Share of S\$4.03 as at the Latest Practicable Date.

12. DISCLOSURE OF HOLDINGS AND DEALINGS

12.1 **No Holdings and Dealings in the Company Securities.** As at the Latest Practicable Date, based on the responses received pursuant to the enquiries that the Offeror has made, none of the Offeror and its Concert Parties:

- (a) owns, controls or has agreed to acquire any Company Securities; or
- (b) has dealt for value in any Company Securities during the Reference Period.

12.2 **Shareholdings and Dealings in AEM Holdings Securities.** Appendix 6 to this Offer Document sets out, as at the Latest Practicable Date and based on the responses received pursuant to the enquiries that the Offeror has made, (a) the number of AEM Holdings Securities owned, controlled or agreed to be acquired by the Offeror and its Concert Parties as at the Latest Practicable Date, and (b) the dealings in the AEM Holdings Securities during the Reference Period by the Offeror and its Concert Parties.

² The historical market prices of the Shares (rounded to the nearest three (3) decimal places) and the corresponding premia are computed based on data extracted from Bloomberg L.P..

12.3 **No Other Holdings and Dealings in AEM Holdings Securities.** Save as disclosed in this Offer Document, and based on the responses received pursuant to the enquiries that the Offeror has made, as at the Latest Practicable Date, none of the Offeror and its Concert Parties:

- (a) owns, controls or has agreed to acquire any AEM Holdings Securities; or
- (b) has dealt for value in any AEM Holdings Securities during the Reference Period.

12.4 **Other Arrangements in the Company Securities and AEM Holdings Securities.** Save as disclosed in this Offer Document, and based on the responses received pursuant to the enquiries that the Offeror has made, as at the Latest Practicable Date, none of the Offeror and its Concert Parties has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the Company Securities or AEM Holdings Securities which might be material to the Offer, other than the Irrevocable Undertakings;
- (b) granted any security interest relating to any Company Securities or AEM Holdings Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Company Securities or AEM Holdings Securities from another person (excluding borrowed Company Securities and AEM Holdings Securities which have been on-lent or sold); or
- (d) lent any Company Securities or AEM Holdings Securities to another person.

13. CONFIRMATION OF FINANCIAL RESOURCES

PwC CF, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares (excluding the shares component of the Offer Consideration (being the New AEM Holdings Shares to be issued under the Cash Shares Consideration Options) to be paid to the Undertaking Shareholders in respect of their respective Undertaking Shares).

14. OVERSEAS SHAREHOLDERS

14.1 **Overseas Jurisdictions.** This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable law.

The release, publication or distribution of this Offer Document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Offer Document, the Notification and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer will violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

- 14.2 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Notification (containing the address and instructions for retrieval of the Offer Document and its related documents) and the relevant Acceptance Forms may not be sent.

- 14.3 **Copies of the Notification and the relevant Acceptance Forms.** Where there are potential restrictions on sending the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) and the relevant Acceptance Forms to any overseas jurisdiction, the Offeror and PwC CF each reserves the right not to send these documents to such overseas jurisdictions where there may be potential restrictions on sending of the same. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, obtain copies of the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and any related documents during normal business hours and up to the Closing Date from (a) CDP (if he is a Depositor) by submitting a request to CDP via phone (+65 6535 7511) or email service (asksgx@sgx.com), or (b) the office of the Registrar at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

- 14.4 Alternatively, an affected Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror through CDP (if he is a Depositor) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, or the Registrar (if he is a scripholder) at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, to request for the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms (with no shareholder details printed on the relevant Acceptance Forms) and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) Market Days prior to the Closing Date.

- 14.5 **Compliance with applicable laws.** It is the responsibility of any Overseas Shareholder who wishes to (a) request for the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents, and/or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, PwC CF, CDP, the Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, PwC CF, CDP, the Registrar and/or any person acting on their behalf may be required to pay. In (i) requesting for the Notification

(containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and/or any related documents, and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and PwC CF that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

- 14.6 **Notice.** The Offeror and PwC CF each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

15. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS

- 15.1 **CPFIS Investors.** CPFIS Investors will receive further information on how to accept the Offer from their respective CPFIS Agent Banks directly. CPFIS Investors are advised to consult their respective CPFIS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

CPFIS Investors who wish to accept the Offer are to reply to their respective CPFIS Agent Banks accordingly by the deadline stated in the letter from their respective CPFIS Agent Banks. Subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, CPFIS Investors who accept the Offer will receive the Offer Consideration payable in respect of their Offer Shares validly tendered in acceptance of the Offer, in their CPFIS investment accounts.

- 15.2 **SRS Investors.** SRS Investors will receive further information on how to accept the Offer from their respective SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks accordingly by the deadline stated in the letter from their respective SRS Agent Banks. Subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, SRS Investors who accept the Offer will receive the Offer Consideration payable in respect of their Offer Shares, in their SRS investment accounts.

16. GENERAL

- 16.1 **Independent Advice.** PwC CF is acting for and on behalf of the Offeror in connection with the Offer and does not purport to advise the Shareholders or any other person. In preparing this Letter to Shareholders on behalf of the Offeror, PwC CF has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any individual Shareholder. The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available by the Company to Shareholders within 14 days of the Despatch Date. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

- 16.2 **Governing Law and Jurisdiction.** The Offer, this Offer Document, the Acceptance Forms, all acceptances of the Offer, all contracts made pursuant thereto and all actions taken or deemed to be taken or made in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of Singapore. The Offeror and each accepting Shareholder submit to the exclusive jurisdiction of the courts of Singapore.
- 16.3 **No Third Party Rights.** Unless expressly provided to the contrary in this Offer Document and the Acceptance Forms, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document and the Acceptance Forms 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 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.
- 16.4 **Valid Acceptances.** The Offeror and PwC CF each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, or if made otherwise than in accordance with the provisions herein and the instructions printed on the relevant Acceptance Forms.
- 16.5 **Accidental Omission.** Any accidental omission relating to the despatch of the Notification, the Acceptance Forms, the electronic dissemination of the Offer Document and any related documents, or any notice or announcement required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made, shall not invalidate the Offer in any way.
- 16.6 **Additional General Information.** Additional general information in relation to the Offer is provided in Appendix 7 to this Offer Document.

17. RESPONSIBILITY STATEMENT

The Directors of the Offeror and AEM Holdings (including those who may have delegated detailed supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offer Document are fair and accurate and that no material facts have been omitted from this Offer Document, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company Group), the sole responsibility of the Directors of the Offeror and AEM Holdings has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Offer Document.

Yours faithfully,

PRICEWATERHOUSECOOPERS CORPORATE FINANCE PTE LTD

For and on behalf of
AEM SINGAPORE PTE. LTD.

DETAILS OF THE OFFER

1. DURATION OF THE OFFER

1.1 **Closing Date.** The Offer is open for acceptance by Shareholders for at least 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder. **Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 31 March 2021 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

1.2 **Subsequent Closing Date(s).** If the Offer is extended and:

- (a) the Offer is not unconditional as to acceptances as at the date of such extension, the announcement of the extension must state the next Closing Date; or
- (b) the Offer is unconditional as to acceptances as at the date of such extension, the announcement of the extension need not state the next Closing Date but may state that the Offer will remain open until further notice. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.

1.3 **No Obligation to Extend the Offer.** The Offeror is not obliged to extend the Offer if the condition of the Offer as set out in Section 2.7 (Minimum Acceptance Condition) of the Letter to Shareholders in this Offer Document is not fulfilled by the Closing Date.

1.4 **Offer to Remain Open for 14 Days After Being Declared Unconditional as to Acceptances.** Pursuant to Rule 22.6 of the Code, if the Offer becomes or is declared unconditional as to acceptances, the Offer will remain open for a period (the "**Rule 22.6 Period**") of not less than 14 days after the date on which the Offer would otherwise have closed, in order to give Shareholders who have not accepted the Offer the opportunity to do so.

This requirement does not apply if, before the Offer has become or is declared unconditional as to acceptances, the Offeror has given Shareholders at least 14 days' notice in writing (the "**Shut-Off Notice**") that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:

- (a) the Offeror may not give a Shut-Off Notice in a competitive situation; and
- (b) the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.

For these purposes, the SIC would normally regard a "competitive situation" to have arisen if a competing offer for the Company has been announced.

If a declaration that the Offer is unconditional is confirmed in accordance with Paragraph 4.2(a) (Right of Withdrawal of Shareholders) of this Appendix 1, the Rule 22.6 Period will run from the date of such confirmation (if given) or the date on which the Offer would otherwise have closed, whichever is later.

1.5 **Final Day Rule.** The Offer (whether revised or not) will not be capable:

- (a) of becoming or being declared unconditional as to acceptances after 5.30 p.m. (Singapore time) on the 60th day after the Despatch Date; or

- (b) of being kept open after the expiry of such 60-day period unless the Offer has previously become or been declared to be unconditional as to acceptances,

provided that the Offeror may extend the Offer beyond such 60-day period with the SIC's prior consent (the "**Final Day Rule**"). The SIC will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.

2. SETTLEMENT FOR THE OFFER

Subject to the Offer becoming or being declared unconditional in all respects and the receipt by the Offeror from accepting Shareholders of valid acceptances and all relevant documents required by the Offeror which are complete and valid in all respects and in accordance with the requirements set out in this Offer Document and the FAA and/or FAT (as the case may be), and in the case of Depositors, the receipt by the Offeror of confirmations satisfactory to it that the number of Offer Shares tendered by the accepting Shareholders in acceptance of the Offer are standing to the credit of the "Free Balance" of their respective Securities Accounts at the relevant time:

- (a) in the event that an accepting Shareholder elects to receive the **Cash Consideration** for all of his Offer Shares, then pursuant to Rule 30 of the Code, payments for the appropriate amounts will be credited directly into the designated bank accounts of the accepting Shareholders for Singapore Dollars via CDP's Direct Crediting Service ("**DCS**") (or, in the case of accepting Shareholders holding Offer Shares tendered in acceptance in scrip form, their designated agents or, in the case of joint accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be, or, if such Shareholder has not subscribed to CDP's DCS, such payment will be reflected in his CDP statements and once his DCS is set up, all cash balances will be credited into his designated bank account), or in such other manner as the accepting Shareholders may have agreed with CDP for the payment of any cash distributions;
- (b) in the event that an accepting Shareholder elects to receive the **85/15 Cash Shares Consideration** or the **70/30 Cash Shares Consideration** for all of his Offer Shares, then pursuant to Rule 30 of the Code:
- (i) where such Shareholder's Offer Shares are deposited with CDP, CDP will send (A) a notification letter stating the number of Offer Shares debited from his Securities Account and the number of New AEM Holdings Shares which have been credited to his Securities Account, by ordinary post to his address as it appears in the records of CDP (or in such other manner as the accepting Shareholder may have agreed with CDP for the payment of any cash distribution), and (B) payment for the cash component of the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration (as the case may be) which will be credited into the accepting Shareholder's designated bank account for Singapore Dollars via CDP's DCS for the appropriate amount (or, if such Shareholder has not subscribed to CDP's DCS, such payment will be reflected in his CDP statements and once his DCS is set up, all cash balances will be credited into his designated bank account); and
- (ii) where such Shareholder's Offer Shares are held in scrip form, the AEM Holdings Registrar will send (A) a notification letter stating the number of New AEM Holdings Shares and enclosing share certificate(s) in respect of the New AEM Holdings Shares allotted and issued to the accepting Shareholder (or his designated agent, or in the case of joint accepting

Shareholders who have not designated any agent, to the one first-named in the Register), by ordinary post to the Shareholder's address as it appears in the Register at the Shareholder's own risk (or to such different name and address as may be specified by the Shareholder in his FAT at his own risk), save that no share certificate(s) in respect of the New AEM Holdings Shares will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction, and (B) payment for the cash component of the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration (as the case may be) by way of a Singapore Dollar crossed cheque drawn on a bank in Singapore to the Shareholder (or the Shareholder's designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register) by ordinary post to his address as it appears in the Register at his own risk (or to such different name and address as may be specified by the Shareholder in his FAT and at his own risk),

as soon as practicable and in any case:

- (I) in respect of acceptances of the Offer which are complete and valid in all respects and are received **on or before** the date on which the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (II) in respect of acceptances which are complete and valid in all respects and are received **after** the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but before the Offer closes, within seven (7) Business Days of the date of such receipt.

3. ANNOUNCEMENTS

3.1 **Timing and Contents.** Pursuant to Rule 28.1 of the Code, by 8.00 a.m. (Singapore time) on the Market Day (the "**Relevant Day**") immediately after the day on which the Offer is due to expire, or the Offer becomes or is declared to be unconditional as to acceptances or is revised or extended (if applicable), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):

- (a) for which valid acceptances of the Offer have been received;
- (b) held by the Offeror and any of its Concert Parties before the Offer Period; and
- (c) acquired or agreed to be acquired by the Offeror and any of its Concert Parties during the Offer Period,

and will specify the percentages of the total number of issued Shares represented by such numbers.

3.2 **Suspension.** Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with any of the requirements of Paragraph 3.1 (Timing and Contents) of this Appendix 1, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares and, where appropriate, in AEM Holdings Shares until the relevant information is given.

3.3 **Valid Acceptances.** Subject to Section 16.4 (Valid Acceptances) of the Letter to Shareholders in this Offer Document, in computing the number of Offer Shares represented by acceptances received by the Offeror, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects.

Acceptances of the Offer will only be treated as valid for the purposes of the Minimum Acceptance Condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

3.4 **Announcements.** In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by PwC CF, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

4. RIGHT OF WITHDRAWAL IN RELATION TO THE OFFER

4.1 **Acceptances Irrevocable.** Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable.

4.2 **Right of Withdrawal of Shareholders.** A Shareholder who has accepted the Offer may:

- (a) withdraw his acceptance immediately if the Offer has become or been declared to be unconditional as to acceptances but the Offeror fails to comply with any of the requirements set out in Paragraph 3.1 (Timing and Contents) of this Appendix 1 by 3.30 p.m. (Singapore time) on the Relevant Day. Subject to Rule 22.9 of the Code in relation to the Final Day Rule, the Offeror may terminate this right of withdrawal not less than eight (8) days after the Relevant Day by confirming (if that be the case) that the Offer is still unconditional as to acceptances and by complying with Rule 28.1 of the Code and the requirements set out in Paragraph 3.1 (Timing and Contents) of this Appendix 1. For the purposes of Paragraph 1.4 (Offer to Remain Open for 14 Days After Being Declared Unconditional as to Acceptances) of this Appendix 1, the Rule 22.6 Period referred to therein shall run from the date of such confirmation (if given) or the date on which the Offer would otherwise have expired, whichever is later;
- (b) withdraw his acceptance after 14 days from the first Closing Date, if the Offer has not by then become or been declared unconditional as to acceptances. Such entitlement to withdraw may be exercisable until such time as the Offer becomes or is declared unconditional as to acceptances; and
- (c) withdraw his acceptance immediately if a competing offer for the Shares becomes or is declared unconditional as to acceptances. This right of withdrawal also applies in the converse situation i.e. if the Offer becomes or is declared unconditional as to acceptances, a Shareholder who has accepted a competing offer may likewise withdraw his acceptance for such competing offer immediately.

4.3 **Procedure for Withdrawal of Acceptances.** To withdraw his acceptance, a Shareholder who has accepted the Offer must give written notice to the Offeror at:

- (a) AEM Singapore Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934, where the Offer Shares are deposited with the CDP; or
- (b) AEM Singapore Pte. Ltd. c/o In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.) at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, where the Offer Shares are not deposited with the CDP.

A notice of withdrawal shall be effective only if signed by the accepting Shareholder or his agent duly appointed in writing and evidence of whose appointment is produced in a form satisfactory to the Offeror within the said notice and when actually received by the Offeror.

PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. DEPOSITORS

- 1.1 **Depositors whose Securities Accounts are credited with Offer Shares.** If you have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, you should receive the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), together with a FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP by contacting CDP Customer Services at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com for details.

Acceptance. Shareholders may choose to accept the Offer on the basis of (i) the **Cash Consideration**, (ii) the **85/15 Cash Shares Consideration** or (iii) the **70/30 Cash Shares Consideration**, but not a combination thereof in respect of their Offer Shares.

If you wish to accept the Offer, you should:

- 1.1.1 complete the FAA in accordance with the provisions and instructions in this Offer Document and the instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms and conditions of the Offer).

In particular:

- (a) If you wish to receive:
- (i) **the Cash Consideration**, you must **tick Option 1** (being the box for the Cash Consideration) in Section C, Declaration #1 on page 1 of the FAA and **leave Option 2 and Option 3 blank**;
 - (ii) **the 85/15 Cash Shares Consideration**, you must **tick Option 2** (being the box for the 85/15 Cash Shares Consideration) in Section C, Declaration #1 on page 1 of the FAA and **leave Option 1 and Option 3 blank**; or
 - (iii) **the 70/30 Cash Shares Consideration**, you must **tick Option 3** (being the box for the 70/30 Cash Shares Consideration) in Section C, Declaration #1 on page 1 of the FAA and **leave Option 1 and Option 2 blank**.
- (b) You should **only tick one** out of the three Offer Consideration options. You shall be deemed to have accepted the Offer and elected to receive solely **the Cash Consideration** if:
- (i) you **tick more than one** of the three options in Section C, Declaration #1 on page 1 of the FAA; or
 - (ii) you **do not tick any** of the options in Section C, Declaration #1 on page 1 of the FAA; or

- (iii) your intentions as to your election of the form of Offer Consideration are not ascertainable from your instructions specified in the FAA (as determined by the Offeror at its discretion).
- (c) for the purposes of the FAA, a “**tick**” is defined as a “✓” or such other forms or annotation to be determined by the Offeror in its absolute discretion for the purpose of ascertaining the accepting Depositor’s acceptance intention.
- (d) Please indicate in Section C, Declaration #2 of the FAA the number of Offer Shares already standing to the credit of the “Free Balance” of your Securities Account in respect of which the Offer is accepted. If:
 - (i) (A) the number of Offer Shares indicated in Section C, Declaration #2 of the FAA exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account as at the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. (Singapore time) on the Closing Date (provided always that the Date of Receipt is on or before the Closing Date); or
 - (B) you have ticked one or both options or none of the options, but have not inserted any number of Offer Shares in Section C, Declaration #2 of the FAA,

then you are deemed to have accepted the Offer in respect of all the Offer Shares already standing to the credit of the “Free Balance” of your Securities Account as at the Date of Receipt, or by 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date); and
 - (ii) at the time of verification by CDP of the FAA on the Date of Receipt, if Paragraph 1.1.1(d)(i)(A) above applies, and there are outstanding settlement instructions with CDP to receive further Offer Shares into the “Free Balance” of your Securities Account (“**Unsettled Buy Position**”), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the “Free Balance” of your Securities Account at any time during the period the Offer is open, up to 5.30 p.m. (Singapore time) on the Closing Date (“**Settled Shares**”), you shall be deemed to have accepted the Offer in respect of the balance number of Offer Shares indicated in Section C, Declaration # 2 of the FAA which have not yet been accepted pursuant to Paragraph 1.1.1(d)(i)(A) above, or the number of Settled Shares, whichever is less.
- (e) In respect of the FAA:
 - (i) if a number of Offer Shares is inserted in the box provided in Section C, Declaration #2 of the FAA, you will be deemed to have accepted the Offer in respect of such number of Offer Shares inserted in the box provided in Section C, Declaration #2 of the FAA, subject to Paragraphs 1.1.1(d)(i)(A) and 1.1.1(d)(ii) above;

- (ii) if you have ticked both options in Section C, Declaration #2 of the FAA, but have not inserted a number in the box provided in Section C, Declaration #2 of the FAA, you will be deemed to have accepted the Offer in respect of all the Offer Shares already standing to the credit of the “Free Balance” of your Securities Account as at the Date of Receipt or, by 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date); or
 - (iii) if there is no number of Offer Shares indicated in Section A of the FAA, but you have chosen the option in Section C, Declaration #2 of the FAA to accept the Offer for all the Offer Shares indicated in Section A, you will be deemed to have accepted the Offer in respect of all the Offer Shares already standing to the credit of the “Free Balance” of your Securities Account as at the Date of Receipt or, by 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date);
- 1.1.2 sign the FAA in accordance with this Appendix 2 and the instructions printed on the FAA; and
- 1.1.3 submit the completed FAA **by post**, in the enclosed pre-addressed envelope at your own risk, to AEM Singapore Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934 so as to arrive **not later than 5.30 p.m. (Singapore time) on the Closing Date**. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Offer Document and the accompanying FAA to the purchaser or transferee, as CDP will arrange for the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Offer via Electronic Acceptance. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf and such Electronic Acceptances must be submitted **not later than 5.30 p.m. (Singapore time) on the Closing Date**. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA had been completed and delivered to CDP.

- 1.2 Depositors whose Securities Accounts will be credited with Offer Shares.** If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the “Free Balance” of your Securities Account, you should also receive the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) together with a FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP by contacting CDP Customer Services at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com for details.

Acceptance. If you wish to accept the Offer in respect of such Offer Shares, you should, **AFTER** the “Free Balance” of your Securities Account has been credited with such number of Offer Shares purchased:

- (a) complete the FAA in accordance with Paragraph 1.1 of this Appendix 2 and the instructions printed on the FAA; and
- (b) submit the completed FAA **by post**, in the enclosed pre-addressed envelope at your own risk, to AEM Singapore Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934 **so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date.** If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is enclosed with the FAA, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside Singapore.

1.3 Depositors whose Securities Accounts are and will be credited with Offer Shares. If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to the “Free Balance” of your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the “Free Balance” of your Securities Account and may accept the Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the “Free Balance” of your Securities Account has been credited with such number of Offer Shares.

1.4 Rejection. If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be, credited to the “Free Balance” of your Securities Account (as, for example, where you sell or have sold such Offer Shares) by the Date of Receipt, or by 5.30 p.m. (Singapore time) on the Closing Date (if the Date of Receipt is on the Closing Date), your acceptance is liable to be rejected. None of CDP, PwC CF and the Offeror (and, for the avoidance of doubt, any of the Offeror’s related corporations) accepts any responsibility or liability for such a rejection, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST during the Offer Period on a date close to the Closing Date, your acceptance of the Offer in respect of such Offer Shares is liable to be rejected if the “Free Balance” of your Securities Account is not credited with such Offer Shares by the Date of Receipt or by 5.30 p.m. (Singapore time) on the Closing Date (if the Date of Receipt is on the Closing Date), unless Paragraph 1.1.1(d)(i)(A) read together with Paragraph 1.1.1(d)(ii) of this Appendix 2 apply. If the Unsettled Buy Position does not settle by 5.30 p.m. (Singapore time) on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. None of CDP, PwC CF and the Offeror (and, for the avoidance of doubt, any of the Offeror’s related corporations) accepts any responsibility or liability for such a rejection, including the consequences thereof.

1.5 General. No acknowledgement will be given by CDP for submissions of FAAs. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number in your Securities Account: (a) through CDP Online if you have registered for the CDP Internet Access Service, or (b) through the CDP Phone Service using SMS OTP, under the option “To check your securities balance”.

1.6 Blocked Balance. Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the “Free Balance” of your Securities Account to the “Blocked Balance” of your Securities Account. Such Offer Shares will be held in the “Blocked Balance” until the consideration for such Offer Shares has been despatched to you.

1.7 Notification. If you have accepted the Offer in accordance with the provisions contained in this Appendix 2 and the FAA, upon the Offer becoming or being declared to be unconditional in all respects in accordance with its terms,

- (a) in the event you have elected to receive the Cash Consideration in respect of your Offer Shares, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Cash Consideration which will be credited directly into your designated bank account for Singapore Dollars via CDP’s DCS; or
- (b) in the event you have elected to receive either the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration, CDP will send you (A) a notification letter stating the number of Offer Shares debited from your Securities Account and the number of New AEM Holdings Shares which have been credited to your Securities Account, by ordinary post to your mailing address as recorded with CDP, or in such other manner as you may have agreed with CDP for the payment of any cash distribution, at your own risk, and (B) payment for the cash component of the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration (as the case may be) which will be credited into your designated bank account for Singapore Dollars via CDP’s DCS for the appropriate amount,

on the payment date as soon as practicable and in any event:

- (i) in respect of acceptances of the Offer which are complete and valid in all respects and are received on or before the date on which the Offer becomes or is declared unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (ii) in respect of acceptances of the Offer which are complete and valid in all respects and are received after the Offer becomes or is declared unconditional in all respects in accordance with its terms, but before the Offer closes, within seven (7) Business Days of the date of such receipt.

In the event you are not subscribed to CDP’s DCS, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein).

1.8 Return of Offer Shares. In the event the Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, CDP will return the aggregate number of Offer Shares in respect of which you have accepted the Offer and tendered for acceptance under the Offer to the “Free Balance” of your Securities Account as soon as possible but in any event within 14 days from the lapse or withdrawal of the Offer.

1.9 No Securities Account. If you do not have an existing Securities Account in your own name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

2. SCRIP HOLDERS

2.1 Shareholders whose Offer Shares are not deposited with CDP. If you hold Offer Shares which are not deposited with CDP (“in scrip form”), you should receive the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) together with the FAT.

Acceptance. Shareholders may choose to accept the Offer on the basis of (a) the **Cash Consideration**, (b) the **85/15 Cash Shares Consideration** or (c) the **70/30 Cash Shares Consideration**, but not a combination thereof in respect of their Offer Shares.

If you wish to accept the Offer, you should:

2.1.1 complete the FAT in accordance with the provisions and instructions in this Offer Document and the FAT (which provisions and instructions shall be deemed to form part of the terms and conditions of the Offer).

In particular:

(a) If you:

(i) wish to receive the **Cash Consideration**, you must **tick Option 1** (being the box for the Cash Consideration) in Part (C) on page 1 of the FAT and **leave Option 2 and Option 3 blank**;

(ii) wish to receive the **85/15 Cash Shares Consideration**, you must **tick Option 2** (being the box for the 85/15 Cash Shares Consideration) in Part (C) on page 1 of the FAT and **leave Option 1 and Option 3 blank**;

(iii) wish to receive the **70/30 Cash Shares Consideration**, you must **tick Option 3** (being the box for the 70/30 Cash Shares Consideration) in Part (C) on page 1 of the FAT and **leave Option 1 and Option 2 blank**;

(iv) wish to accept the Offer in respect of all the Offer Shares represented by the share certificate(s) attached hereto and/or other document(s) of title accompanying the FAT, please (a) state “All” or insert the number of Offer Shares in respect of which the Offer is accepted in Part (A) on page 1 of the FAT, and (b) state in Part (B) on page 1 of the FAT the share certificate number(s) of the relevant share certificate(s); and

(v) do not wish to accept the Offer, you do not need to take any action.

(b) You should **only tick one** out of the three Offer Consideration options. You shall be deemed to have elected to receive solely **the Cash Consideration** if:

(i) you **tick more than one** of the three options in Part (C) on page 1 of the FAT; or

(ii) you **do not tick any** of the options in Part (C) on page 1 of the FAT; or

- (iii) your intentions as to your election of the form of Offer Consideration are not ascertainable from your instructions specified in the FAT (as determined by the Offeror at its discretion).
- (c) For the purposes of the FAT, a “**tick**” is defined as a “✓” or such other forms or annotation to be determined by the Offeror in its absolute discretion for the purpose of ascertaining the accepting Shareholder’s acceptance intention.
- (d) If you:
 - (i) do not specify a number of Offer Shares in Part (A) on page 1 of the FAT; or
 - (ii) specify a number in Part (A) on page 1 of the FAT which exceeds the number of Offer Shares represented by the share certificate(s) attached hereto and/or other document(s) of title accompanying the FAT,

you shall be deemed to have accepted the Offer in respect of all the Offer Shares represented by the share certificate(s) attached hereto and/or other document(s) of title accompanying the FAT.

It is your responsibility to ensure that the FAT is properly completed in all respects. In the event of any ambiguity as to the intentions of an accepting Shareholder arising from his completion of the FAT, the Offeror shall be entitled, at its sole and absolute discretion, to reject or treat as valid such Shareholder’s acceptance of the Offer through the FAT and to determine whether such Shareholder shall have or shall be deemed to have elected to receive the Cash Consideration, the 85/15 Cash Shares Consideration or the 70/30 Cash Shares Consideration and the number of Offer Shares in respect of which the Offer is accepted by such Shareholder (provided that such number shall not exceed the number of Offer Shares represented by the share certificate(s) attached hereto and/or other document(s) of title accompanying the FAT). Any such decision of the Offeror will be final and binding and none of the Offeror (and for the avoidance of doubt, any of the Offeror’s related corporations), PwC CF and In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.) accepts any responsibility or liability for such a decision, including the consequences thereof;

2.1.2 sign the FAT in accordance with this Appendix 2 and the instructions printed on the FAT; and

2.1.3 deliver:

- (a) the duly completed and signed original of the FAT in its entirety (no part may be detached or otherwise mutilated);
- (b) the share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror relating to the Offer Shares in respect of which you wish to accept the Offer. If you are recorded in the Register as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to

procure the Company to issue such share certificate(s) in accordance with the Constitution of the Company and then deliver such share certificate(s) in accordance with the procedures set out in this Offer Document and the FAT; and

- (c) where such Offer Shares are not registered in your name, a transfer form, duly completed and executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it); and
- (d) any other relevant document(s),

either:

- (A) **by hand**, to AEM Singapore Pte. Ltd. c/o In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.) at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
- (B) **by post**, in the enclosed pre-addressed envelope at your own risk, to AEM Singapore Pte. Ltd. c/o In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.) at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712,

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the duly completed and signed FAT is delivered by post to the Offeror, please use the pre-addressed envelope enclosed with the FAT, at your own risk, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

2.2 Receipt. No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other accompanying document(s) will be given by the Offeror, PwC CF or the Registrar.

2.3 Return of Offer Shares. In the event the Offer does not become or is not declared to be unconditional in all respects in accordance with its terms by the Closing Date, the FAT, share certificate(s) and any other accompanying document(s) will be returned to you as soon as possible but, in any event, within 14 days of the lapse or withdrawal of the Offer.

3. GENERAL

3.1 Disclaimer. The Offeror, PwC CF, CDP and/or the Registrar will be entitled, at their sole and absolute discretion, to reject or treat as valid any acceptance of the Offer through the FAA and/or the FAT, as the case may be, which is not entirely in order or which does not comply with the terms of this Offer Document and the relevant Acceptance Forms or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality, or invalid in any respect. If you wish to accept the Offer, it is your responsibility to ensure that the relevant Acceptance Forms are properly completed and executed in all respects and are submitted with original signature(s) and that all required documents (where applicable) are provided. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), PwC CF, CDP and/or the Registrar accepts any responsibility or liability for such a decision, including the consequences of such a decision.

- 3.2 **Discretion.** The Offeror and PwC CF each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in this Offer Document or in the relevant Acceptance Forms, or if made otherwise than in accordance with the provisions of this Offer Document and in the relevant Acceptance Forms. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror (or, for the avoidance of doubt, any of the Offeror's related corporations), PwC CF, CDP and/or the Registrar accepts any responsibility or liability for such a decision, including the consequences of such a decision.
- 3.3 **Scrip and Scripless Offer Shares.** If you hold some Offer Shares in scrip form and others with CDP, you should complete the FAT for the former and a FAA for the latter in accordance with the respective procedures set out in this Appendix 2 and the relevant Acceptance Forms if you wish to accept the Offer in respect of such Offer Shares.
- 3.4 **Acceptances Received on Saturday, Sunday or Public Holiday.** Acceptances in the form of the FAA (by post or in electronic form) and/or the FAT received by CDP and/or the Registrar, for and on behalf of the Offeror, on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next Business Day.
- 3.5 **Deposit Time.** If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Offer by way of the FAA if you were to deposit your share certificate(s) with CDP after the Despatch Date. If you wish to accept the Offer in respect of such Offer Shares held in scrip form, you should complete the FAT and follow the procedures set out in Paragraph 2 (Scrip Holders) of this Appendix 2 and the FAT.
- 3.6 **Correspondences.** All communications, certificates, notices, documents and remittances to be delivered or sent to you (or, in the case of scrip holders, your designated agent or, in the case of accepting joint Shareholders who have not designated any agent, to the one first named in the records of CDP or the Register, as the case may be) will be sent by ordinary post to your respective mailing addresses as they appear in the records of CDP or the Register, as the case may be, at the risk of the person(s) entitled thereto (or for the purposes of remittances only, to such different name and addresses as may be specified by you in the FAA and/or the FAT, as the case may be, at your own risk).
- 3.7 **Evidence of Title.** Delivery of the duly completed and signed FAA and/or FAT, as the case may be, together with the relevant share certificate(s) and/or other documents of title (where applicable) and/or other relevant documents required by the Offeror, CDP and/or the Registrar, to the Offeror, CDP and/or the Registrar, as the case may be, shall be conclusive evidence in favour of the Offeror (or its nominee), CDP and/or the Registrar, as the case may be, of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates.
- 3.8 **Loss in Transmission.** The Offeror, PwC CF, CDP and/or the Registrar, as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.
- 3.9 **Acceptances Irrevocable.** Except as expressly provided in this Offer Document and the Code, the acceptance of the Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable and any instructions or subsequent FAA(s) and/or FAT(s) received by CDP and/or the Registrar, as the case may be, after the FAA and/or the FAT, as the case may be, has been received shall be disregarded.

3.10 **Personal Data Privacy.** By completing and delivering the FAA and/or the FAT, each person:

- (a) consents to the collection, use and disclosure of his personal data by the Registrar, CDP, the SGX-ST, the Offeror, AEM Holdings, PwC CF and the Company (the “**Relevant Persons**”) for the purpose of facilitating his acceptance of the Offer, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines;
- (b) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable laws, listing rules, regulations and/or guidelines; and
- (c) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Chandran Ramesh Nair	52 Serangoon North Avenue 4 Singapore 555853	Director
Ms. Leong Sook Han	52 Serangoon North Avenue 4 Singapore 555853	Director

2. PRINCIPAL ACTIVITIES

The Offeror is a company incorporated in Singapore on 20 January 1992 and is a direct wholly-owned subsidiary of AEM Holdings. The Offeror is involved in the design and manufacturing of semiconductor manufacturing equipment and related tooling parts and precision machining of components.

3. SHARE CAPITAL

As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$10,194,491 comprising 10,194,491 ordinary shares, of which 100% is held by AEM Holdings.

For the purposes of the Offer, in consideration of the issue of New AEM Holdings Shares to holders of the Offer Shares tendered in acceptance of the Offer and who have elected to receive either of the Cash Shares Consideration Options, the Offeror will issue new ordinary shares to AEM Holdings. As at the Latest Practicable Date, the actual number of new ordinary shares in the Offeror to be issued to AEM Holdings has not been determined. This will depend on the number of New AEM Holdings Shares required to be issued to such holders of the Offer Shares by the close of the Offer.

4. FINANCIAL INFORMATION

Please refer to Paragraph 4 of Appendix 4 to this Offer Document.

5. REGISTERED OFFICE

The registered office of the Offeror is at 52 Serangoon North Avenue 4, Singapore 555853.

ADDITIONAL INFORMATION ON AEM HOLDINGS

1. DIRECTORS

The names, addresses and descriptions of the directors of AEM Holdings as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Loke Wai San	52 Serangoon North Avenue 4 Singapore 555853	Non-Executive Chairman and Director
Mr. Chok Yean Hung	52 Serangoon North Avenue 4 Singapore 555853	Non-Executive, Non-Independent Director
Mr. Basil Chan	52 Serangoon North Avenue 4 Singapore 555853	Independent Director
Mr. Loh Kin Wah	52 Serangoon North Avenue 4 Singapore 555853	Independent Director
Mr. Adrian Chan Pengee	52 Serangoon North Avenue 4 Singapore 555853	Lead Independent Director
Mr. James Toh Ban Leng	52 Serangoon North Avenue 4 Singapore 555853	Non-Executive, Non-Independent Director
Mr. Lavi Alexander Lev	52 Serangoon North Avenue 4 Singapore 555853	Independent Director

2. PRINCIPAL ACTIVITIES

AEM Holdings is a company incorporated in Singapore on 21 July 2000 and is listed on the Main Board of the SGX-ST. AEM Holdings is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets. These activities are carried out through AEM Holdings' subsidiaries (including the Offeror). Currently, the AEM Group has operations in Asia, Europe and North and Central Americas.

3. SHARE CAPITAL

3.1 Share Capital. As at the Latest Practicable Date:

- (a) AEM Holdings has an issued and paid-up capital of S\$50,726,976.08 comprising 276,862,980 AEM Holdings Shares (of which 1,305,313 are treasury shares); and
- (b) no new shares in AEM Holdings have been issued since 31 December 2020, being the end of the last financial year of AEM Holdings.

- 3.2 **AEM Holdings Convertible Securities.** As at the Latest Practicable Date, save for 5,667,690 AEM Holdings Options and 917,620 AEM Holdings Awards, there are no outstanding convertible securities, warrants, options or derivatives in respect of the shares in AEM Holdings or securities which carry voting rights in AEM Holdings.
- 3.3 **Capital Re-Organisation.** Save for the bonus issue of new AEM Holdings Shares on the basis of three (3) bonus shares that was credited as fully paid for every one (1) existing new AEM Holdings Share that completed on 4 June 2018, there has been no re-organisation of AEM Holdings' share capital during the period commencing three (3) financial years prior to the Despatch Date and ending on the Latest Practicable Date.
- 3.4 **Rights of Shareholders.** The rights of the shareholders of AEM Holdings in respect of capital, dividends and voting are set out in the Constitution of AEM Holdings, a copy of which is available for inspection as set out in Paragraph 5 in Appendix 7 to this Offer Document. For ease of reference, extracts of the Constitution of AEM Holdings have been reproduced in Appendix 8 to this Offer Document.
- 3.5 **Share Buybacks.** Particulars of purchases of the AEM Holdings Shares made by AEM Holdings during the period commencing on the date falling six (6) months prior to the Pre-Conditional Offer Announcement Date, and ending on the Latest Practicable Date (pursuant to the share purchase mandate renewed at the annual general meeting of AEM Holdings held on 21 May 2020), are as follows:

Date of Purchase	Total number of AEM Holdings Shares purchased	Price paid for each AEM Holdings Share			Total consideration paid for the AEM Holdings Shares ⁽¹⁾ (S\$)
		Highest (S\$)	Lowest (S\$)	Single (S\$)	
31 August 2020	145,000	4.10	4.06	–	592,620.98
24 September 2020	83,000	3.53	3.52	–	293,454.66
25 September 2020	50,000	3.46	3.46	3.46	173,444.26

Note:

(1) The total consideration includes related costs and charges but excludes the applicable goods and services tax.

4. FINANCIAL INFORMATION

Certain financial information extracted from the audited consolidated financial statements of the AEM Group for FY2017, FY2018 and FY2019 and the AEM Group FY2020 Unaudited Results (collectively, the “**AEM Group Financial Statements**”) is set out below. The financial information referred to in this Paragraph should be read in conjunction with the AEM Group Financial Statements and the accompanying notes as set out therein (copies of which are available for inspection as set out in Paragraph 5 of Appendix 7 to this Offer Document).

(a) Consolidated Income Statements

A summary of the audited consolidated income statements of the AEM Group for FY2017, FY2018 and FY2019 and the unaudited consolidated income statement of the AEM Group for FY2020 is set out below:

	FY2017	FY2018	FY2019	Unaudited
	S\$'000	\$'000	\$'000	FY2020
				\$'000
Revenue	221,622	262,325	323,130	518,959
Exceptional items	–	–	–	–
Profit before tax	37,531	39,968	63,735	113,805
Profit after tax	32,184	33,493	52,763	97,587
Profit attributable to owners of AEM Holdings	32,184	33,493	52,763	97,587
Basic earnings per AEM Holdings Share (cents)	12.36	12.26	19.48	35.49
Gross dividend per AEM Holdings Share (cents)	12.0	3.4	5.1	9.0*

* Included proposed final dividend of 4.0 cents per ordinary share of AEM Holdings, subject to shareholders' approval at the forthcoming annual general meeting of AEM Holdings.

(b) Consolidated Statements of Financial Position

A summary of the audited statement of financial position of the AEM Group as at 31 December 2019 and the unaudited statement of financial position of the AEM Group as at 31 December 2020 is set out below:

	FY2019	Unaudited
	\$'000	FY2020
		\$'000
Current assets		
Inventories	57,479	79,676
Contract cost	–	1,234
Trade and other receivables	27,976	47,571
Contract assets	4,856	3,123
Cash and cash equivalents	107,676	134,785
Total current assets	197,987	266,389
Non-current assets		
Property, plant and equipment	6,392	8,127
Right-of-use assets	2,051	9,509
Intangible assets	16,905	46,646
Investment in an associate	4,572	4,680
Deferred tax assets	54	168
Total non-current assets	29,974	69,130
Total assets	227,961	335,519
Current liabilities		
Financial liabilities	1,681	4,977
Trade and other payables	71,563	83,658
Contract liabilities	3,688	2,806
Current tax payable	11,607	17,854
Provisions taxation	1,171	2,361
Total current liabilities	89,710	111,656
Net Current Assets	108,277	154,733
Non-current liabilities		
Financial liabilities	527	6,310
Trade and other payables	1,565	3,050
Deferred tax liabilities	1,823	3,073
Total non-current liabilities	3,915	12,433
Total liabilities	93,625	124,089
Net Assets	134,336	211,430
Equity	134,336	211,430
Total liabilities and equity	227,961	335,519

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in the AEM Group FY2020 Unaudited Results, other information on the AEM Group which is publicly available (including without limitation, the announcements released by the AEM Group on SGXNET), and save as a result of the making of the Offer, there have been no known material changes in the financial position of the AEM Group since 31 December 2019, being the date of the last audited accounts of the AEM Group laid before the shareholders of AEM Holdings in general meeting.

6. SIGNIFICANT ACCOUNTING POLICIES

Save as disclosed in the notes to the audited consolidated financial statements of the AEM Group for FY2017, FY2018 and FY2019 and the notes to the AEM Group FY2020 Unaudited Results, (a) there were no significant accounting policies or any points from the notes of the financial statements of the AEM Group which are of any major relevance for the interpretation of the financial statements of the AEM Group and (b) there is no change in the accounting policies of the AEM Group which will cause the figures set out in Paragraph 4 above to be not comparable to a material extent. Copies of the AEM Group Financial Statements are available for inspection as mentioned in Paragraph 5 of Appendix 7 to this Offer Document.

7. INDEBTEDNESS

As at the Latest Practicable Date, the AEM Group has drawn down S\$50 million of the S\$75 million committed revolving credit facility from Malayan Banking Berhad. Save as disclosed above, as at the Latest Practicable Date, there are no material bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees or other material contingent liabilities of the AEM Group.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, the Directors of AEM Holdings are not aware of any litigation, claims or proceedings pending or threatened against AEM Holdings or any facts likely to give rise to any litigation, claims or proceedings which might materially and adversely affect the financial position of AEM Holdings.

9. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Save as disclosed in publicly available information on the AEM Group (including without limitation, the announcements released by the AEM Group on SGXNET), AEM Holdings has not entered into material contracts (other than those in the ordinary course of business) with an interested person (within the meaning set out in the Note on Rule 23.12 of the Code) during the period commencing three (3) financial years prior to the Despatch Date and ending on the Latest Practicable Date.

10. REGISTERED OFFICE

The registered office of AEM Holdings is at 52 Serangoon North Avenue 4, Singapore 555853.

ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

Name	Address	Description
Mr. Tien Sing Cheong	2 Ang Mo Kio Avenue 12 Singapore 569707	Executive Chairman
Mr. Tan Ka Huat	2 Ang Mo Kio Avenue 12 Singapore 569707	Managing Director
Mr. Tan Bien Chuan	2 Ang Mo Kio Avenue 12 Singapore 569707	Lead Independent Director
Mr. Gan Chee Yen	2 Ang Mo Kio Avenue 12 Singapore 569707	Non-Executive Director
Dr. Martin Tang Yue Nien	2 Ang Mo Kio Avenue 12 Singapore 569707	Independent Director
Ms. Theng Siew Lian Lisa	2 Ang Mo Kio Avenue 12 Singapore 569707	Independent Director
Mr. Wang Ya Lun Allen	2 Ang Mo Kio Avenue 12 Singapore 569707	Alternate Director to Mr. Gan Chee Yen

2. SHARE CAPITAL

Based on the business profile of the Company extracted from ACRA on the Latest Practicable Date, the Company has an issued and paid-up share capital of approximately S\$23,572,686.36 comprising 87,934,213 Shares (of which 86,698,463 are ordinary shares and 1,235,750 are treasury shares).

3. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in this Offer Document and save for the information on the Company Group which is publicly available (including, without limitation, the unaudited consolidated financial statements of the Company Group for FY2020 as released by the Company on the SGX-ST on 26 February 2021, and other announcements released by the Company on the SGX-ST), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2019, being the date of the last audited consolidated financial statements of the Company laid before Shareholders in general meeting.

4. REGISTERED OFFICE

The registered office of the Company is at 2 Ang Mo Kio Avenue 12, Singapore 569707.

DISCLOSURE OF HOLDINGS AND DEALINGS IN AEM HOLDINGS SECURITIES

1. HOLDINGS IN AEM HOLDINGS SECURITIES

As at the Latest Practicable Date, based on the responses to the enquiries that the Offeror has made, the holdings of the Offeror and its Concert Parties in the AEM Holdings Securities are set out below:

(a) AEM Holdings Shares

Name	Direct Interests		Indirect Interests		Total Interests	
	No. of AEM Holdings Shares	% ⁽¹⁾	No. of AEM Holdings Shares	% ⁽¹⁾	No. of AEM Holdings Shares	% ⁽¹⁾
Mr. Loke Wai San ⁽²⁾	5,444,310	1.98	–	–	5,444,310	1.98
Mr. Chok Yean Hung ⁽²⁾	1,514,467	0.55	–	–	1,514,467	0.55
Mr. Basil Chan ⁽²⁾	150,000	0.05	–	–	150,000	0.05
Mr. Loh Kin Wah ⁽²⁾	525,000	0.19	–	–	525,000	0.19
Mr. Adrian Chan Pengee ⁽²⁾	85,000	0.03	–	–	85,000	0.03
Mr. James Toh Ban Leng ⁽²⁾⁽³⁾	12,225,020	4.44	2,196,772	0.80	14,421,792	5.23
Mr. Lavi Alexander Lev ⁽²⁾	25,000	0.01	–	–	25,000	0.01
Mr. Vesa Henttonen ⁽⁴⁾	1,640,000	0.60	–	–	1,640,000	0.60
Mr. Mark Yaeger ⁽⁵⁾	40,000	0.01	–	–	40,000	0.01
Mr. Pascal Pierra ⁽⁶⁾	40,000	0.01	–	–	40,000	0.01
Mr. Wu Cai Xiang ⁽⁷⁾	39,000	0.01	–	–	39,000	0.01
A.C.T. Holdings Pte Ltd ⁽⁸⁾	2,196,772	0.80	–	–	2,196,772	0.80
Concert parties of PwC CF	36,500	0.01	–	–	36,500	0.01

Notes:

- (1) Based on a total number of 275,557,667 AEM Holdings Shares (excluding 1,305,313 treasury shares) as at the Latest Practicable Date.
- (2) The individual is a Director of AEM Holdings. Mr. Loh Kin Wah's Shares are held under Citibank Nominees Singapore Pte Ltd.
- (3) Mr. James Toh Ban Leng is deemed to be interested in the 2,196,772 Shares held by A.C.T. Holdings Pte Ltd, pursuant to Section 4 of the SFA.
- (4) Mr. Vesa Henttonen is a Director and the Chief Technical Officer of Afore Oy, a wholly-owned subsidiary of AEM Holdings.
- (5) Mr. Mark Yaeger is the President of AEM International (US) Ltd, a wholly-owned subsidiary of the Offeror, which is in turn wholly-owned by AEM Holdings.
- (6) Mr. Pascal Pierra is the President of Mu-TEST, a wholly-owned subsidiary of AEM Holdings.
- (7) Mr. Wu Cai Xiang is a Director of AEM Microtronics (Suzhou) Co., Ltd., a wholly-owned subsidiary of AEM Holdings.
- (8) Mr. James Toh Ban Leng is a Director of and also controls A.C.T. Holdings Pte Ltd.

(b) AEM Holdings Options and AEM Holdings Awards

As at the Latest Practicable Date, based on the responses to the enquiries that the Offeror has made, the interests of the Offeror and its Concert Parties in (a) the AEM Holdings Options and (b) the AEM Holdings Awards, which are convertible into AEM Holdings Shares are set out below:

Name	Number of AEM Holdings Options	Exercise Period	Exercise Price (S\$)
Mr. Loke Wai San	2,472,000	1/3 per annum over 3 years from 7 October 2020 to 7 October 2022	1.142
Mr. Chok Yean Hung	1,352,000		1.142
Mr. Chandran Ramesh Nair	620,690	1/3 per annum over 3 years from 1 April 2021 to 1 April 2023	1.652

Name	Number of AEM Holdings Awards	Vesting Period
Mr. Loke Wai San	560,667 ⁽¹⁾	Performance period for the satisfaction of the performance condition is 2 financial years from 1 January 2020 to 31 December 2021 ⁽²⁾ Vesting occurs annually on the first trading day of April following the completion of each financial year
Mr. Chok Yean Hung	306,666 ⁽¹⁾	

Name	Number of AEM Holdings Awards	Vesting Period
Mr. Samer Kabbani ⁽³⁾	50,287	On 29 Sept 2022 or such other date as may be determined by the Directors of AEM Holdings administering the AEM Holdings Performance Share Plan

Notes:

- (1) Depending on the extent of achievement on AEM Group's transformational roadmap over a specified performance period, the number of AEM Holdings Shares to be released can be up to 300% of the number stated.
- (2) In respect of the first performance period from 1 January 2019 to 31 December 2019, 280,333 AEM Holdings Shares and 153,334 AEM Holdings Shares were vested in and such shares were allotted and issued to, Mr. Loke Wai San and Mr. Chok Yean Hung respectively, on 1 April 2020. As such, the number of AEM Holdings Awards reflected in the second column is the remaining AEM Holdings Awards granted to Mr. Loke Wai San and Mr. Chok Yean Hung in respect of the second and third performance periods from 1 January 2020 to 31 December 2020 and 1 January 2021 to 31 December 2021 respectively, as at the Latest Practicable Date.
- (3) Mr. Samer Kabbani is the Chief Technology Officer of the AEM Group.

2. DEALINGS IN AEM HOLDINGS SECURITIES DURING THE REFERENCE PERIOD

As at the Latest Practicable Date, based on the responses to the enquiries that the Offeror has made, the details of the dealings in the AEM Holdings Securities by the Offeror and its Concert Parties during the Reference Period are set out below:

(a) AEM Holdings Shares

Name	Date	Nature of Transaction	Number of AEM Holdings Shares or treasury shares in AEM Holdings Issued or Acquired	Issue Price or Transaction Price per AEM Holdings Share or Average Exercise Price per AEM Holdings Option (S\$) ⁽¹⁾
AEM Holdings	14 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	190,000 treasury shares	1.536
AEM Holdings	20 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	60,000 treasury shares	1.536

Name	Date	Nature of Transaction	Number of AEM Holdings Shares or treasury shares in AEM Holdings Issued or Acquired	Issue Price or Transaction Price per AEM Holdings Share or Average Exercise Price per AEM Holdings Option (S\$)⁽¹⁾
AEM Holdings	26 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	30,000 treasury shares	1.536
Concert party of PwC CF	16 November 2020	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.480
Concert party of PwC CF	17 November 2020	Acquisition of AEM Holdings Shares	1,000 AEM Holdings Shares	3.360
AEM Holdings	19 November 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	60,000 treasury shares	1.536
AEM Holdings	24 November 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	60,000 treasury shares	1.536
Concert party of PwC CF	24 November 2020	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.410
Concert party of PwC CF	26 November 2020	Acquisition of AEM Holdings Shares	1,500 AEM Holdings Shares	3.520
AEM Holdings	9 December 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	65,000 treasury shares	1.536

Name	Date	Nature of Transaction	Number of AEM Holdings Shares or treasury shares in AEM Holdings Issued or Acquired	Issue Price or Transaction Price per AEM Holdings Share or Average Exercise Price per AEM Holdings Option (S\$)⁽¹⁾
AEM Holdings	29 December 2020	Issuance of new AEM Holdings Shares to the vendors in connection with the acquisition of 100% of the issued shares in the share capital of InspiRain Technologies Pte. Ltd.	400,000 new AEM Holdings Shares	3.420
Concert party of PwC CF	5 January 2021	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.600
Concert party of PwC CF	26 February 2021	Acquisition of AEM Holdings Shares	4,000 AEM Holdings Shares	4.030

Note:

(1) Rounded to the nearest three (3) decimal places.

(b) AEM Holdings Options

Name	Date	Number of AEM Holdings Options exercised	Expiry Date	Exercise Price per AEM Holdings Option (S\$)⁽¹⁾
Mr. Vesa Henttonen	2 November 2020	60,000	6 October 2029	1.142

Note:

(1) Rounded to the nearest three (3) decimal places.

ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

- 1.1 **No Indemnity Arrangements.** To the best knowledge of the Directors of the Offeror as at the Latest Practicable Date, save for the Irrevocable Undertakings as described in Section 7 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document, neither the Offeror nor any of its Concert Parties has entered into any arrangement with any person of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Company Securities which may be an inducement to deal or refrain from dealing in the Company Securities.
- 1.2 **No Agreement having any Connection with or Dependence upon the Offer.** As at the Latest Practicable Date, save for the Irrevocable Undertakings as described in Section 7 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document, there is no agreement, arrangement or understanding between (a) the Offeror or any of its Concert Parties and (b) any of the present or recent directors of the Company or the present or recent Shareholders having any connection with or dependence upon the Offer.
- 1.3 **Transfer of Offer Shares.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired pursuant to the Offer will or may be transferred to any other person. However, the Offeror reserves the right to transfer any of the Offer Shares to any of its related corporations or for the purpose of granting security in favour of financial institutions which have extended credit facilities to it.
- 1.4 **No Payment or Benefit to Directors of the Company.** As at the Latest Practicable Date, no payment or other benefit will be made or given to any director of the Company or of any corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Offer.
- 1.5 **No Agreement Conditional upon Outcome of the Offer.** As at the Latest Practicable Date, save for the Irrevocable Undertakings as described in Section 7 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document, there is no agreement, arrangement or understanding between (a) the Offeror and (b) any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Offer or otherwise connected with the Offer.
- 1.6 **Transfer Restrictions.** There is no restriction in the Constitution of the Company on the right to transfer any Offer Shares, which has the effect of requiring the holders of such Offer Shares before transferring them, to offer them for purchase by members of the Company or any other person.
- 1.7 **Directors' Service Contracts.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding between the Offeror or any of its Concert Parties and any Director of the Offeror, whereby the emoluments received by the Directors of the Offeror will be affected as a consequence of the Offer or any other associated relevant transaction.

2. GENERAL

- 2.1 **Costs and Expenses.** All costs and expenses of or incidental to the Offer including the preparation and circulation of this Offer Document and the Acceptance Forms (other than professional fees and other costs relating to the Offer or any revision thereof incurred or to be incurred by the Company) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.
- 2.2 **Financial Adviser's Consent.** PwC CF, as financial adviser to the Offeror in connection with the Offer, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document.
- 2.3 **Registrar's Consent.** The Registrar has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document.
- 2.4 **AEM Holdings Registrar's Consent.** The AEM Holdings Registrar has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document.

3. MARKET QUOTATIONS OF AEM HOLDINGS SHARES

- 3.1 **Closing Prices.** The following table sets out the closing prices of the AEM Holdings Shares on the SGX-ST (as reported by Bloomberg L.P.) on (a) 26 February 2021, being the Latest Practicable Date, (b) 8 January 2021, being the Last Trading Day, and (c) the last Market Day of each month from July 2020 to December 2020 (being the six (6) calendar months preceding the Pre-Conditional Offer Announcement Date) on which there were trades in the AEM Holdings Shares:

	Closing Price (S\$)
26 February 2021 (the Latest Practicable Date)	4.030
8 January 2021 (the Last Trading Day)	3.650
31 December 2020	3.450
30 November 2020	3.550
30 October 2020	3.380
30 September 2020	3.850
31 August 2020	4.020
30 July 2020	3.570

- 3.2 **Highest and Lowest Prices.** The highest and lowest closing prices of the AEM Holdings Shares on the SGX-ST (as reported by Bloomberg L.P.) during the period commencing six (6) calendar months prior to the Pre-Conditional Offer Announcement Date and ending on the Latest Practicable Date (both dates inclusive), and their respective dates transacted are as follows:

	Price (S\$)	Date transacted
Highest closing price	4.620	15 February 2021
Lowest closing price	3.020	16 July 2020

4. MARKET QUOTATIONS OF SHARES

- 4.1 **Closing Prices.** The following table sets out the closing prices of the Shares on the SGX-ST (as reported by Bloomberg L.P.) on (a) 26 February 2021, being the Latest Practicable Date, (b) 7 January 2021, being the last Market Day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day), and (c) the last Market Day of each month from July 2020 to December 2020 (being the six (6) calendar months preceding the Pre-Conditional Offer Announcement Date) on which there were trades in the Shares:

	Closing Price (S\$)
26 February 2021 (the Latest Practicable Date)	1.170
7 January 2021	0.990
31 December 2020	0.980
30 November 2020	0.960
29 October 2020	0.915
30 September 2020	0.910
28 August 2020	0.900
30 July 2020	0.855

- 4.2 **Highest and Lowest Prices.** The highest and lowest closing prices of the Shares on the SGX-ST (as reported by Bloomberg L.P.) during the period commencing six (6) calendar months prior to the Pre-Conditional Offer Announcement Date and ending on the Latest Practicable Date (both dates inclusive), and their respective dates transacted are as follows:

	Price (S\$)	Date transacted
Highest closing price	1.230	15 February 2021
Lowest closing price	0.845	13 July 2020

5. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Registrar, In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.), at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 during normal business hours, while the Offer remains open for acceptance:

- (a) the Pre-Conditional Offer Announcement;
- (b) the Offer Announcement;
- (c) the Constitution of the Offeror;
- (d) the Constitution of AEM Holdings;
- (e) the Irrevocable Undertakings referred to in Section 7 (Irrevocable Undertakings) of the Letter to Shareholders in this Offer Document;
- (f) the letters of consent of PwC CF, the Registrar and the AEM Holdings Registrar referred to in Paragraphs 2.2 (Financial Adviser's Consent), 2.3 (Registrar's Consent) and 2.4 (AEM Holdings Registrar's Consent) respectively of this Appendix 7; and
- (g) the AEM Group Financial Statements and AEM Group FY2020 Unaudited Results.

RELEVANT REGULATIONS IN THE CONSTITUTION OF AEM HOLDINGS

The provisions in the Constitution of AEM Holdings relating to the rights of shareholders of AEM Holdings in respect of capital, dividends and voting have been reproduced below.

All capitalised terms used in the following extracts shall have the same meanings ascribed to them in the Constitution of AEM Holdings and/or the Companies Act. A copy of the Constitution of AEM Holdings is available for inspection at the office of the Registrar, In.Corp Corporate Services Pte. Ltd. (formerly known as RHT Corporate Advisory Pte. Ltd.) at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712 during normal business hours, while the Offer remains open for acceptance.

SHARES

- | | | |
|-------|---|---|
| 7. | Subject to the Statutes and the Listing Manual, no shares may be issued without the prior approval of the Company in General Meeting but subject thereto and to this Constitution relating to new shares and to any special right attached to any share for the time being issued, the Directors may allot (with or without conferring any right of renunciation), grant options over or otherwise dispose of the same to such persons on such terms and conditions (including such consideration, if any) and at such time as the Directors determine Provided Always that the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same. For the avoidance of doubt, the Company may issue shares for which no consideration is payable to the Company. | Shares under control of Company in General Meeting. |
| 8(1). | The Company in General Meeting may by Ordinary Resolution authorise the Directors to exercise any power of the Company to issue shares, such authority being confined to a particular exercise of that power or generally. Any such authority may be unconditional or subject to conditions and shall continue in force until the conclusion of the Annual General Meeting commencing next after the date on which the approval was given or the expiration of the period within which the next Annual General Meeting after that date is required by law to be held whichever is the earlier but may be previously revoked or varied by the Company in General Meeting Provided Always that no shares may be issued to transfer a controlling interest without prior approval of the Company in General Meeting. | Authority of Directors to issue shares. |
| 8(2). | Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by the SGX-ST) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register as the holder thereof or before such share is entered against the name of a Depositor in the Depository Register, as the case may be, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of such share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit. | |

- | | | |
|-----|---|--|
| 9. | Any share in the Company may be issued with such preferred, qualified, deferred or other special rights, privileges and conditions or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the Statutes, the Company may issue preference shares which are or, at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine PROVIDED ALWAYS that the total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time. | Company may issue shares with preferred, qualified, deferred and other special rights. |
| 10. | The Company shall have the power to issue further preference capital ranking equally with or in priority to the preference capital then already issued. | Issue of further preference shares. |
| 11. | Subject to the provisions of the Statutes, all or any of the special rights or privileges for the time being attached to any preference share for the time being issued may from time to time (whether or not the Company is being wound up) be modified, affected, altered or abrogated and preference capital other than redeemable preference shares may be repaid if authorised by a Special Resolution passed by holders of such preference shares at a special meeting called for the purpose. To any such special meeting, all provisions of this Constitution as to General Meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one third of the issued preference shares concerned and that every holder of the preference shares concerned shall be entitled on a poll to one vote for every such share held by him Provided Always that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from holders of three-fourths of the preference shares concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting. | Alteration of rights of preference shareholders. |
| 12. | Preference shareholders shall have the same rights as ordinary Members as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital of the Company or winding up or sanctioning the sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears. | Rights of Preference shareholders. |
| 13. | If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the holder for the time being of the share or his legal personal representative. | Instalments of shares. |

14. The Company may pay, at such rate or amount and in such manner as the Directors deem fit, a commission to any person in consideration of his subscribing, or agreeing to subscribe, or of his procuring or agreeing to procure subscription, whether absolutely or conditionally, for any share in the capital of the Company. Any such commission may be paid in whole or in part in cash or fully or partly paid shares of the Company as may be arranged, and the Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscription, whether absolute or conditional, for any share in the Company, confer on any such person an option call within a specified time for a specified number or amount of shares in the Company at a specified price. The payment or agreement to pay a commission or the conferring of an option shall be in the discretion of the Directors on behalf of the Company. The requirements of the Statutes shall be observed, so far as applicable. Commission for subscribing.
- 15(1). The Company shall not be bound to register more than three persons as the joint holders of any share except in the case of executors, administrators or trustees of the estate of a deceased Member. Joint holders.
- 15(2). Subject to Regulation 15(1), any two or more persons may be registered as joint holders of any share and the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls and interest (if any) due in respect of such share.
- 15(3). The joint holder first named in the Register or the Depository Register, as the case may be, shall as regards voting, proxy, service of notices and delivery of certificates and dividend warrants, be deemed to be the sole owner of such share.
16. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than an absolute right to the entirety thereof in the person (other than the depository) entered in the Register as the registered holder or in the person whose name is entered in the Depository Register in respect of that share, as the case may be, except only where this Constitution otherwise provides or as required by the Statutes or pursuant to any order of Court. No trusts recognised.
17. No person shall exercise any rights of a Member in respect of a share until his name shall have been entered in the Register as the registered holder thereof or in the Depository Register in respect of such share, as the case may be, and, unless the Directors otherwise determine, such person shall have paid all calls and other moneys for the time being due and payable on any share held by him. Exercise of rights of Members.

TRANSFER OF SHARES

42. Save as provided by this Constitution, there shall be no restriction on the transfer of fully paid shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange). All transfers of shares may be effected by way of book-entry in the Depository Register Provided Always that the legal title in the shares may be transferred by the registered holders thereof by an instrument of transfer in the form approved by the Exchange. The instrument of transfer shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the registered holder of the shares until the name of the transferee is entered in the Register in respect thereof. Shares to be transferable.
43. The instrument of transfer shall be signed both by the transferor and by the transferee, and it shall be witnessed Provided Always that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository. Instrument of transfer.
44. Shares of different classes shall not be comprised in the same instrument of transfer. Only shares of same class to be in same instrument.
45. No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind. Restriction on transfer.
- 46(1). All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same. Retention of Instrument of transfer and disposal of documents.
- 46(2). The Company shall be entitled to destroy:–
- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof;
 - (b) all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof; and
 - (c) all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof.
- 46(3). It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and that:–
- (a) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

- (b) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
- (c) every other document hereinbefore mentioned so destroyed was a valid and effective document,

in accordance with the recorded particulars thereof in the books or records of the Company.

- 46(4). Regulations 46(2) and 46(3) shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant.
- 46(5). Nothing contained in this Regulation 44 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstance which would not attach to the Company in the absence of this Regulation 44, and references in this Regulation 44 to the destruction of any document include references to the disposal thereof in any manner.
47. The Directors may decline to accept any instrument of transfer unless:–
- (a) all or any part of the stamp duty (if any) payable on each share transfer and such fee not exceeding two Singapore Dollars for each transfer or such other sum as may from time to time be prescribed by the Exchange is paid to the Company; and
 - (b) such fee not exceeding two Singapore Dollars as the Directors may from time to time determine is paid to the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney or any document relating to or affecting the title to the shares.
48. The Directors may refuse to register the transfer of shares or allow the entry of or against a person's name in the Depository Register in respect of shares transferred or to be transferred to such person:–
- (a) which are not fully paid up; or
 - (b) on which the Company has a lien.
49. If the Directors refuse to register any transfer of any share they shall, where required by the Statutes, serve on the transferor and transferee, within one month beginning with the day on which the transfer was lodged with the Company, a notice in writing informing each of them of such refusal and of the facts which are considered to justify the refusal.
50. The Register may be closed at such times and for such periods as the Directors may from time to time determine Provided Always that the Register shall not be closed for more than thirty days in any year Provided Always that the Company shall give prior notice of such closure as may be required to the Exchange stating the period and purpose or purposes for which such closure is to be made.

Power of Directors to refuse to register.

Notice of refusal to be sent by Company.

Closure of the Register.

ALTERATION OF CAPITAL

64. Subject to the Statutes and the Listing Rules, the Company may by Ordinary Resolution:— Alteration of capital.
- (a) consolidate and divide all or any of its share capital; or
 - (b) cancel the number of shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of the shares so cancelled; or
 - (c) sub-divide its existing shares or any of them. The resolution by which the subdivision is effected may determine that, as between the holders of the resulting shares, one or more of such shares may have any such preferred, deferred or other special rights or be subject to any restriction as the Company has power to attach to unissued or new shares; or
 - (d) convert its share capital or any class of shares from one currency to another currency; or
 - (e) by Special Resolution, convert any class of shares into any other class of shares.
65. The Company may reduce its share capital in any manner subject to the Statutes and any other applicable laws and regulations.

MODIFICATION OF CLASS RIGHTS

66. Subject to the Statutes and save as provided by this Constitution, all or any of the special rights or privileges attached to any class of shares in the capital of the Company for the time being issued may, at any time, as well before as during liquidation, be modified, affected, altered or abrogated, either with the consent in writing of the holders of not less than three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting, but so that the quorum thereof shall be not less than two persons personally present and holding or representing by proxy one-third of issued shares of the class, and that any holder of shares of the class, present in person or by proxy, shall on a poll be entitled to one vote for each share of the class held or represented by him, and if at any adjourned meeting of such holders such quorum as aforesaid is not present, any two holders of shares of the class who are personally present shall be a quorum. The Directors shall comply with the provisions of Section 186 of the Act as to forwarding a copy of any such consent or Resolution to the Registrar of Companies. Modification of class rights.

GENERAL MEETINGS

68. In addition to any other meetings, a General Meeting shall be held once at least in every calendar year, at such time and place as may be determined by the Directors, but so that no more than fifteen months shall be allowed to elapse between any two such General Meetings but in any event before the expiry of four months from the close of the financial year of the Company, or such other period as may be prescribed under the Statutes or by the SGX-ST from time to time. General Meetings.

69. The abovementioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary General Meetings. Annual General Meetings.
70. The First Annual General Meeting of the Company shall be held at such time within a period of not more than eighteen months from the date of incorporation of the Company and at such time and place as the Directors may determine. First Annual General Meeting.
71. The Directors may call an Extraordinary General Meeting of the Company whenever they think fit in accordance with the Statutes. Directors may call Extraordinary General Meetings.
72. The Directors shall, on the request of the holders of not less than one-tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, and in the case of such request the following provisions shall have effect:– Extraordinary General Meetings called on requisition of shareholders.
- (a) The request must state the objects of the meeting and must be signed by the requestor and deposited at the Office, and may consist of several documents in like form each signed by one or more requestor.
- (b) If the Directors of the Company do not proceed to cause a meeting to be held within twenty-one days from the date of the request being so deposited, the requestor or any of them representing more than one half of the voting rights of all of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit.
- (c) In the case of a meeting at which a resolution is to be proposed as a Special Resolution the Directors shall be deemed not to have duly convened the meeting if they do not give such notice as is required by the Statutes.
- (d) Any meeting convened under this Regulation by the requestor shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.
73. Subject to the Statutes relating to the convening of meetings to pass Special Resolutions and agreements for shorter notice, at least fourteen days' notice in writing (excluding the date of notice and the date of meeting) specifying the place, day and hour of the meeting, and in case of special business, a notice in writing setting out the general nature of such special business, accompanied by a statement regarding the effect of any proposed resolution in respect of such special business, shall be given to all Members and the Exchange other than such as are not entitled under this Constitution to receive such notices from the Company. At least fourteen days' notice in writing of any General Meeting (excluding the date of notice and the date of meeting) shall be given and at least twenty-one days' notice in writing (excluding the date of notice and the date of meeting) in the case of a Meeting to pass Special Resolution shall be given to all Members and Notice of meeting.

the Exchange. Every such notice shall be published in at least one English Language daily newspaper circulating in Singapore at least fourteen days before the meeting (excluding the date of notice and the date of meeting). Whenever any meeting is adjourned for fourteen days or more, at least seven days' notice in writing of the place and hour of such adjourned meeting shall be given in like manner Provided Always that when a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

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| 74. | Any Member entitled to be present and vote at a meeting or his proxy may submit any resolution to any General Meeting, provided that at least for the prescribed time before the day appointed for the meeting he shall have served upon the Company a notice in writing by him containing the proposed resolution, and stating his intention to submit the same. The prescribed time abovementioned shall be such that, between the date that the notice is served and the day appointed for the meeting, there shall be not less than three nor more than fourteen intervening days. | Members may submit resolution to meeting on giving notice to Company. |
| 75. | Upon receipt of any such notice as in the last preceding Regulation mentioned, the Secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution will be proposed. | Secretary to give notice to Members. |
| 76. | The accidental omission to give any notice to or non-receipt of any notice by any Member shall not invalidate the meeting or any resolution passed or proceedings at any such meeting. | Accidental omission to give notice. |

PROCEEDINGS AT GENERAL MEETINGS

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| 77. | All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors, the fixing of the remuneration of Directors, the election of Directors in the place of those retiring, the declaration of dividends and the appointment of and the fixing of the remuneration of the Auditors. | Special business. |
| 78. | Save as is herein otherwise provided, two Members present in person or by proxy shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum is present at the commencement of the business. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Regulation 93. | Quorum. |
| 79. | If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place. At the adjourned meeting, any two or more Members present in person or by proxy shall be a quorum. | If quorum not present. |

80.	The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Members present shall choose some Director or, if no Director be present or if all the Directors present decline to take the chair, one of themselves to be Chairman of the meeting.	Chairman.
81.	The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Adjournment.
82.	At every General Meeting a resolution put to the vote of the meeting shall be decided by poll.	How matters are to be decided.
83(1).	A poll shall be taken in such manner as the Chairman directs, and the results of the poll shall be deemed to be the resolution of the meeting. A poll may be taken by electronic means or any other manner as the Chairman may direct.	Chairman's direction as to poll.
83(2).	No poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. A poll shall be taken at such time as the Chairman of the meeting directs.	
84.	A declaration by the Chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.	Declaration of Chairman conclusive.
85(1).	No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting, as the case may be, at which the vote objected to is or may be given, tendered or cast, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.	Objection to admissibility.
85(2).	If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and unless in the opinion of the Chairman at the meeting or at any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.	
86.	In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.	In the event of equality of votes.

VOTES OF MEMBERS

- 87(1). Subject to and without prejudice to any special privileges or restriction as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, every Member who is present in person or by proxy shall have one vote for every share which he holds or represents and upon which all calls or other sums due thereon to the Company have been paid. Voting rights.
- 87(2). For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the number of shares held or represented shall, in relation to the shares of that Depositor, be the number of shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company.
88. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register or the Depository Register, as the case may be. Right of joint holders.
89. Unless the Directors otherwise determine, no person other than a Member who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to be present or to vote on any question either personally or by proxy at any General Meeting. Members only entitled to vote upon full payment.
90. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, on a poll by the committee, curator bonis, or other person in the nature of committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a poll, vote by proxy. Votes of Members of unsound mind.
91. On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Vote personal or by proxy.
- 92(1). A proxy need not be a Member. Proxies.
- 92(2). Except for a Member who is a relevant intermediary as defined in Section 181(6) of the Act, a Member shall not be entitled to appoint more than two proxies to attend and vote at the same General Meeting Provided Always that where the Member is a Depositor, the Company shall be entitled and bound:–
- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company;
 - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as

at the Cut-Off Time as certified by the Depository to the Company, whether that number be greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor; and

- (c) in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.

Subject to the Act, a Member who is a relevant intermediary (as defined in Section 181(6) of the Act) is entitled to appoint more than two proxies to attend and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member appoints more than two proxies, the number and class of shares in relation to each proxy appointed shall be specified in the instrument of proxy.

- 92(3). In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.

- 93. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company or any class of Members of the Company, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder.

Corporation may appoint representative.

- 94. An instrument appointing a proxy shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and:—

Execution of instrument of proxy on behalf of shareholder.

- (a) in the case of an individual, shall be:—
 - (i) executed under the hand of the appointor or his attorney if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
- (b) in the case of a corporation, shall be:—
 - (i) executed under seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or, in the case of the Depository or its nominee, signed by its duly authorised officer by some method or system of mechanical signature

as the Depository or its nominee may deem appropriate, if the instrument is delivered personally or sent by post; or

- (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted through electronic communications, as contemplated in Regulations 94(a)(ii) and 94(b)(ii). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Regulations 94(a)(i) and 94(b)(i) shall apply.

The Directors may designate procedures for authenticating instruments appointing a proxy, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

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| 95. | Where an instrument appointing a proxy is signed on behalf of the shareholder by an attorney, the letter or the power of attorney or other authority, if any, or a duly certified copy thereof shall (failing previous registration with the Company) if required by law, be duly stamped and be deposited at the Office or such other place, or if submitted by electronic communication, must be received through such means, as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting, and in either case not less than seventy-two hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. | Lodgement of instrument appointing proxy. |
| 96. | The signature on an instrument of proxy need not be witnessed. | No witness needed for instrument of proxy. |
| 97. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given Provided Always that no notice in writing of the death or revocation or transfer shall have been received at the Office one hour at least before the time fixed for holding the meeting. | When vote by proxy valid though authority revoked. |
| 98. | An instrument appointing a proxy shall be deemed to confer authority to move any resolution or amendment thereto and to speak at the meeting. | Instrument deemed to confer authority. |
| 99. | Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable. | Voting in respect of shares of different monetary denominations. |

DIVIDENDS

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| 137. | The profits of the Company, subject to any special rights relating thereto created or authorised to be created by this Constitution and subject to the provisions of this Constitution as to the reserve fund shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively. | Appropriation of profits. |
| 138. | The Company in General Meeting may by Ordinary Resolution declare a dividend on or in respect of any share to the Members according to their rights and interest in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. | Declaration of Dividend. |
| 139. | No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest. | Dividend payable out of profits. |
| 140. | The declaration of the Directors as to the net profits of the Company shall be conclusive. | Declaration conclusive. |
| 141. | The Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies provided no such dividends shall be declared more than once in three months. | Interim dividend. |
| 142. | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists. | Debts may be deducted. |
| 143. | A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer or the entry of the shares against the Depositor's name in the Depository Register, as the case may be. | Effect of transfer. |
| 144. | Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of wholly or partly paid-up shares, debentures, or debenture stock of the Company, or wholly or partly paid-up shares, debentures, or debenture stock of any other company, or in any one or more of such ways. | Dividend in specie. |
- (1) The Directors may further resolve in the case of ordinary shares in the Company, that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend, as the Directors may think fit. In such case, the following provisions shall apply:–
- (a) the basis of any such allotment shall be determined by the Directors;
 - (b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the

whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;

- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid for such purpose (notwithstanding any provision of this Constitution to the contrary), the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalization, application, payment and distribution of funds which may be lawfully appropriated, capitalized, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (a) capitalize and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis, or (b) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

- (2) (a) The ordinary shares allotted pursuant to the provisions of Paragraph (1) of this Regulation shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalization application, payment and distribution of funds pursuant to this Regulation, with full power to make such provisions as they think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the members) and to authorize any person to enter on behalf of all the members interested into an agreement with the Company providing for any such appropriation, capitalization, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

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| 145. | The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmissions of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same. | Power to retain dividends. |
| 146. | In case several persons are registered in the Register or entered in the Depository Register, as the case may be, as the holders of any share, any resolution of the Directors or the Company in General Meeting declaring a dividend on shares of any class may specify that the dividend shall be payable to such persons at the close of business on a particular date and thereupon the dividend shall be payable in accordance with their respective holdings so registered. Any person registered in the Register or in the Depository Register, as the case may be, as the holder or joint holder of any share or is entitled jointly to a share in consequence of the death or bankruptcy of the holder may give effectual receipts for dividends, bonuses, other moneys payable or properties distributable and payment on account of dividends on or in respect of such shares. | Payment to and receipt by joint holders. |
| 147. | Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement. | Notice of dividend. |
| 148. | Unless otherwise directed, any dividend may be paid by cheque, dividend warrant or Cashiers' Order, sent through the post to the registered address appearing in the Register or the Depository Register, as the case may be, of the Member or person entitled, or where two or more persons are registered in the Register or entered in the Depository Register, as the case may be, as joint holders or are | Payment by post. |

entitled to the dividend as a result of the death or bankruptcy of the holder, to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect thereof and every cheque, dividend warrant or Cashiers' Order so sent shall be made payable to the order of the person to whom it is sent or to any person and address as such Member(s) or persons(s) may direct in writing. The Company shall not be responsible for the loss of any cheque, dividend warrant or Cashiers' Order, which shall be sent by post duly addressed to and at the sole risk of the Member or person for whom it is intended. Payment of the cheque, dividend warrant or Cashiers' Order by the bank upon which they are respectively drawn shall be a full and valid discharge to the Company. Notwithstanding the provisions of this Constitution, payment by the Company to the Depository of any dividend payable to a Depositor shall also be a full and valid discharge of the Company from liability to the Depositor in respect of that payment to the extent of the payment made to the Depository.

149. The Depository will hold all dividends unclaimed for six years after having been declared and paid before release to the Directors, and the Directors may invest or otherwise make use of the unclaimed dividends for the benefit of the Company until claimed. Unclaimed dividends.

CAPITALISATION OF PROFITS AND RESERVES

- 150(1). The Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve funds or to the credit of the profit and loss account or otherwise available for distribution; and accordingly that such sum be set free for distribution amongst the holders of shares in the Register or in the Depository Register, as the case may be, who would have been entitled thereto if distributed by way of dividends and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up on full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such holders or in their nominees in the proportion aforesaid or partly in the one way and partly in the other and the Directors shall give effect to such resolution. Capitalisation of profits and reserves.
- 150(2). Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the amounts resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision for the satisfaction of the right of the holders of such shares in the Register or in the Depository Register, as the case may be, under such resolution to a fractional part of a share by the issue of fractional certificates or by payment in cash or otherwise as they think fit and also to authorise any persons to enter on behalf of such holders entitled thereto or their nominees into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalisation; and any agreement made under such authority shall be effective and binding on all such holders and their nominees.

