



**SOILBUILD CONSTRUCTION GROUP LTD.**

(Company Registration No. 201301440Z)  
(Incorporated in the Republic of Singapore)

**PROPOSED *PRO RATA* AND NON-RENOUNCEABLE NON-UNDERWRITTEN PREFERENTIAL OFFERING OF UP TO 168,247,125 NEW ORDINARY SHARES IN THE CAPITAL OF SOILBUILD CONSTRUCTION GROUP LTD. WITH UP TO 168,247,125 FREE DETACHABLE WARRANTS, EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE NEW ORDINARY SHARE IN THE CAPITAL OF SOILBUILD CONSTRUCTION GROUP LTD.**

**1. INTRODUCTION**

1.1 **Preferential Offering.** The directors ("**Directors**") of Soilbuild Construction Group Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") wish to announce the following:

- (a) a proposed *pro rata* and non-renounceable non-underwritten preferential offering (the "**Preferential Offering**") of up to 168,247,125 new ordinary shares in the capital of the Company (the "**Rights Shares**") with up to 168,247,125 free detachable warrants (the "**Warrants**") at an issue price of S\$0.073 for each Rights Share with Warrant, each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("**New Share**") at an exercise price of S\$0.073 for each New Share ("**Exercise Price**"), on the basis of one (1) Rights Share with one (1) Warrant for every four (4) existing ordinary shares in the capital of the Company ("**Shares**") held by the Entitled Shareholders (as defined herein) as at the time and date to be determined by the Directors for the purposes of determining the entitlements of Entitled Shareholders under the Preferential Offering (the "**Books Closure Date**"), fractional entitlements to be disregarded. The Warrants will be issued in registered form and are to be exercised at any time during the period commencing on and including the date of the issue of the Warrants and expiring on the date falling five (5) years from the date of issue of the Warrants ("**Exercise Period**"); and
- (b) the Preferential Offering is subject to, *inter alia*, the receipt of approval in-principle from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the Rights Shares, the Warrants and the New Shares on the Main Board of the SGX-ST.

1.2 **Adjustments to Existing Warrants.** The Preferential Offering will require adjustments to be made to the number of the warrants in registered form ("**2016 Warrants**") allotted and issued by the Company on 13 July 2016 pursuant to the *pro rata* and non-renounceable non-underwritten preferential offering of warrants by the Company ("**2016 Preferential Offering**") pursuant to the terms and conditions of the 2016 Warrants.

## 2. PURPOSE AND USE OF PROCEEDS

- 2.1 **Rationale.** The Preferential Offering has been proposed to strengthen the capital base of the Group and to fund the Group's further expansion of its manufacturing and fabrication facilities for premium precast building components and Pre-finished and Pre-finished Volumetric Construction ("**PPVC**") in its plant in Malaysia.

In 2017, the Building and Construction Authority ("**BCA**") launched the Construction Industry Transformation Map with the vision to transform the construction industry into an advanced and integrated sector with widespread adoption of leading technologies. One of the key approaches taken by BCA to achieve the desired vision is the adoption of Design for Manufacturing and Assembly ("**DfMA**") methodology in the industry. In this regard, the Integrated Construction and Precast Hub ("**ICPH**") and PPVC are the key elements for the adoption of DfMA in building supply capacity and capabilities for the built environment.

The construction of the Group's ICPH, as well as the installation of its automated plant and machineries, had been completed in December 2018 and the Group's ICPH currently houses the production of certain large concrete panel slabs, hollow cores concrete, reinforcing steel wire mesh and a wide range of other precast components. In November 2018, the Company also completed the acquisition of the entire issued and paid-up share capital of Precast Concrete Builders Pte. Ltd. ("**Precast Concrete Builders**") (formerly known as Sembcorp EOSM Pte. Ltd.) (the "**2018 Acquisition**") which (together with its subsidiaries) is principally engaged in the provision of design, construction, fabrication and manufacturing of PPVC modular components and other building materials in Singapore, Malaysia and India.

The 2018 Acquisition provided the Group with additional plant facilities and machineries for the manufacturing and fabrication of premium precast building components and PPVC modular components (including a factory in Pontian (the "**Pontian Factory**"), Johor, Malaysia) to further support the Group's growth in this segment.

The Directors believe that the further expansion of the Group's manufacturing and fabrication facilities in the Pontian Factory would broaden the production scale of the Group for premium precast building components and allow the Group to tap on the anticipated growing demand of such concrete products arising from the Construction Industry Transformation Map. The successful implementation of the DfMA methodologies will also support the creation of a clearer construction project delivery and quality advantage for the Group in the competitive built environment sector.

- 2.2 **Use of Proceeds.** Taking into consideration the Irrevocable Undertaking (as defined herein), the gross proceeds from the Preferential Offering are approximately S\$12.3 million. The estimated net proceeds from the Preferential Offering after taking into account the estimated expenses of approximately S\$0.3 million for the Preferential Offering are expected to be approximately S\$12.0 million (the "**Net Proceeds**").

Assuming all the Warrants are exercised, the estimated proceeds arising from the exercise of the Warrants will be approximately S\$12.3 million.

The Company intends to use:

- (a) up to approximately S\$10.0 million of the Net Proceeds (or up to approximately 83.3

per cent. of the Net Proceeds) to fund the expansion of the Pontian Factory; and

- (b) the remainder of at least approximately S\$2.0 million of the Net Proceeds (or at least approximately 16.7 per cent. of the Net Proceeds) to fund the acquisition of plant and machinery by the Precast Concrete Builders group of companies (including for the Pontian Factory).

Proceeds from the exercise of the Warrants (the “**Exercise Proceeds**”) will be utilised towards the repayment of the Group’s bank borrowings. In this regard, the Company has an existing secured term loan of approximately S\$50.0 million which is due in 2021 and which the Group intends to refinance upon maturity. The Company intends to utilise the Exercise Proceeds towards the partial repayment of borrowings under such existing term loan and upon refinancing, under the new loan to be procured for refinancing the existing term loan. The existing term loan had been drawn down to fund the capital expenditure of the Group which include construction cost and procurement of automated plant and machinery for the Group’s ICPH as well as acquisition of assets and working capital.

Pending the deployment of the Net Proceeds and the Exercise Proceeds (if any), such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Group. The Company will make periodic announcements on the utilisation of such proceeds as the funds are materially disbursed and provide a status report on the use of such proceeds in the Company’s annual report.

### **3. PREFERENTIAL OFFERING**

- 3.1 **Eligibility of Shareholders to Participate in the Preferential Offering.** The Company proposes to provisionally allot Rights Shares with Warrants to all shareholders of the Company (“**Shareholders**”) who are eligible to participate in the Preferential Offering (“**Entitled Shareholders**”), comprising Entitled Depositors and Entitled Scripholders (both as defined herein).

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants on the basis of their shareholdings in the Company as at 5.00 p.m. (Singapore time) on the Books Closure Date. Entitled Shareholders are at liberty to accept or decline their provisional allotments of the Rights Shares with Warrants and are eligible to apply for additional Rights Shares with Warrants (“**Excess Rights Shares with Warrants**”) in excess of their provisional allotments under the Preferential Offering.

**Entitled Shareholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (a) provisional allotments of the Rights Shares with Warrants or (b) eligibility to apply for Excess Rights Shares with Warrants.**

- 3.2 **Entitled Depositors.** Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited (“**CDP**”) and whose securities accounts with CDP are credited with Shares as at the Books Closure Date (“**Depositors**”) will be provisionally allotted their entitlements on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at the Books Closure Date. To be “**Entitled Depositors**”, Depositors must have registered addresses with CDP in Singapore as at the Books Closure Date or must

have, at least three (3) days on which the SGX-ST is open for securities trading (“**Market Days**”) prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents.

- 3.3 **Entitled Scripholders.** Duly completed and (where necessary) stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title received up to the Books Closure Date by the Company's share registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) (the “**Share Registrar**”), will be registered to determine the provisional entitlements of the transferee (a “**Scripholder**”, which term shall include a person who is registered as a holder of Shares and whose share certificates are not deposited with CDP) under the Preferential Offering. To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore as at the Books Closure Date or must have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents.
- 3.4 **Foreign Shareholders.** For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Preferential Offering is only made in Singapore and the Rights Shares with Warrants will **NOT** be offered to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”).

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

For the avoidance of doubt, even if a Shareholder has provided a Singapore address as aforesaid, the offer of Rights Shares with Warrants under the Preferential Offering to him will be subject to compliance with applicable securities laws outside Singapore. The Company further reserves the right to reject any acceptances of Rights Shares with Warrants and any application for Excess Rights Shares with Warrants under the Preferential Offering where it believes, or has reason to believe, that such acceptances or applications may violate the applicable laws of any jurisdiction.

- 3.5 **Summary of the Terms of the Preferential Offering.** The following is a summary of the principal terms and conditions of the Preferential Offering.

**Basis of Provisional Allotment** : Each Entitled Shareholder is entitled to subscribe for one (1) Rights Share with one (1) Warrant for every four (4) existing Shares standing to the credit of the securities account of the Entitled Depositor or held by the Entitled Scripholder, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.

Fractional entitlements to the Rights Shares with

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

In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of the Company, including Mr Lim Chap Huat, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares with Warrants.

Subject to the terms and conditions of the Warrants (the form of which is substantially set out in the Appendix to this Announcement) to be set out in the instrument constituting the Warrants (the “**Instrument**”), each Warrant shall entitle its holder (the “**Warrantholder**”), at any time during the Exercise Period, to subscribe for one (1) New Share at the Exercise Price.

**Issue Price** : S\$0.073 for each Rights Share with Warrant. The Rights Shares with Warrants are payable in full upon acceptance and/or application.

The Issue Price represents (a) a discount of approximately 8.8% to the weighted average price for trades done on the SGX-ST for the full market day of 9 May 2019, being the date of this Announcement, of S\$0.08002 per Share; and (b) a discount of approximately 7.1% to the theoretical ex-rights price of S\$0.07862 (being the theoretical market price of each Share assuming the completion of the Preferential Offering, and which is calculated based on the weighted average price for trades done on the SGX-ST for the full market day of 9 May 2019, being the date of this Announcement, of S\$0.08002 per Share, assuming all the Rights Shares with Warrants are subscribed for and none of the Warrants are exercised).

**Exercise Price** : The Exercise Price for each Warrant shall be

S\$0.073 per New Share.

**Exercise Period** : The Warrants may be exercised at any time during the Exercise Period, subject to the terms and conditions of the Warrants to be set out in the Instrument.

At the expiry of the Exercise Period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose. The expiry of the Warrants will be announced through a SGXNET announcement to be posted on the internet at the SGX-ST's website <http://www.sgx.com> and the notice of expiry will be sent to all Warrantholders at least one month before the Expiration Date.

**Status of Rights Shares** : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of allotment and issue of the Rights Shares.

**Status of New Shares** : The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of allotment and issue of the New Shares.

**Number of Rights Shares, Warrants and New Shares to be issued** : Based on the number of issued Shares as at the date of this Announcement comprising 672,988,500 Shares (of which none are held in treasury) and assuming that there is no change in the number of issued Shares as at the Books Closure Date, the Company will issue up to 168,247,125 Rights Shares and 168,247,125 Warrants under the Preferential Offering, and up to 168,247,125 New Shares upon the exercise of the Warrants.

As at the date of this Announcement, the Company has outstanding 2016 Warrants which carry the right to subscribe for an aggregate of 166,683,500 new Shares at an exercise price of S\$0.18 per new Share in accordance with the terms and conditions of the 2016 Warrants<sup>1</sup>. As the 2016 Warrants are

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<sup>1</sup> The number of new Shares and the exercise of the 2016 Warrants disclosed does not include any additional Shares that may be issued or, as the case may be, does not take into account any change to the exercise price pursuant to any adjustments that may be made to the 2016 Warrants in accordance with the terms and conditions of the 2016 Warrants as a result of the Preferential Offering.

out-of-the-money as at the date of this Announcement, it is assumed that none of the 2016 Warrants will be exercised on or before the Books Closure Date and the Company has not, as at the date of this Announcement, received any exercise notice for the exercise of any of the 2016 Warrants.

As at the date of this Announcement, there are no outstanding options under the Soilbuild Construction Employee Share Option Scheme or awards under the Soilbuild Construction Performance Share Plan.

**Adjustments**

- : The Exercise Price and/or the number of Warrants to be held by each Warrantheader will be subject to adjustment(s) under certain circumstances as set out in the terms and conditions of the Warrants to be set out in the Instrument. Any additional warrants issued pursuant to such adjustment shall rank *pari passu* with the Warrants and will for all purposes form part of the same series.

**Modification of rights of Warrantheaders**

- : The Company may, without the consent of the Warrantheaders but in accordance with the terms and conditions of the Warrants to be set out in the Instrument, effect any modification to the Warrants, the Warrant agency agreement or the Instrument, which, in the opinion of the Company, is not materially prejudicial to the interests of the Warrantheaders, or which, in the Company's opinion, is to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or effect any modification to the Warrants or the Instrument which, in the Company's opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of the New Shares arising from the exercise thereof or meetings of the Warrantheaders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book entry (scripless) settlement system in respect of trades of the Company's securities on the Main Board of the SGX-ST, provided that such modification is not materially prejudicial to the interests of the Warrantheaders.

Any such modification will be binding on the Warrantheaders and will be notified to them in accordance with the terms and conditions of the Warrants to be set out in the Instrument as soon as practicable thereafter.

Any material alteration to the terms and/or conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to Shareholders is subject to the approval of the Shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants to be set out in the Instrument.

Any alteration to the terms and/or conditions of the Warrants after the issue thereof must be approved by the SGX-ST, except where the alterations are made pursuant to the terms and conditions of the Warrants to be set out in the Instrument.

**Winding-up**

- : Where there is a members' voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation), the Warrantheolders may elect, in accordance with the terms and conditions of the Warrants to be set out in the Instrument, to be treated as if they had immediately prior to the commencement of such winding-up exercised the Warrants and had on such date been the holders of the New Shares to which they would have become entitled pursuant to such exercise.

Subject to the foregoing, if the Company is wound-up for any reason other than a members' voluntary winding-up, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

**Further issue of Shares**

- : Subject to the terms and conditions of the Warrants to be set out in the Instrument, the Company shall be at liberty to issue Shares to Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit. However, the Warrantheolders shall not have any participation rights in any further issues of Shares by the Company unless otherwise resolved by the Company in general meeting or in the event of a take-over offer to acquire Shares.

**Transfer and transmission**

- : The procedure for the transfer and transmission of the Warrants is set out in the terms and conditions of the Warrants to be set out in the Instrument.

- Irrevocable Undertaking** : Mr Lim Chap Huat has given an irrevocable undertaking to the Company to subscribe and pay in full for his entitlements under the Preferential Offering and to make excess application(s) to effectively take up any Rights Shares with Warrants which are not validly subscribed and/or applied for at the close of the Preferential Offering after satisfaction of all applications and excess applications (if any) for the Rights Shares with Warrants.
- Non-underwritten** : In view of the Irrevocable Undertaking by Mr Lim Chap Huat, the Company has decided to proceed with the Preferential Offering on a non-underwritten basis. The Directors are of the reasonable opinion that there is no minimum amount which must be raised from the Preferential Offering.
- Listing and Trading** : An application will be made by the Company to obtain the SGX-ST's approval for the listing of and quotation for the Rights Shares, the Warrants and the New Shares.

Upon the listing and quotation of the Rights Shares, the Warrants and the New Shares on the Main Board of the SGX-ST, the Rights Shares, the Warrants and the New Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares or, as the case may be, Warrants will comprise 100 Shares or, as the case may be, 100 Warrants.

The listing and quotation of the Warrants on the SGX-ST is subject to, *inter alia*, there being a sufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants. Under Rule 826 of the SGX-ST Listing Manual, it is provided that as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. **In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants for any reason, Warrant holders will not be able to trade their Warrants on the SGX-ST.** However, if a holder of the Warrants were to exercise his right, subject to the terms and conditions of the Warrants, to convert his Warrants into New Shares, such New Shares

will be listed and quoted on the Main Board of the SGX-ST.

**Trading of Odd Lots**

- : Shareholders or, as the case may be, Warranholders who hold odd lots of Shares or, as the case may be, Warrants (that is, lots other than board lots of 100 Shares or, as the case may be, Warrants) and who wish to trade in odd lots are able to trade odd lots of Shares or, as the case may be, Warrants on the SGX-ST's Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares or, as the case may be, Warrants with a minimum size of one (1) Share or, as the case may be, one (1) Warrant.

**Acceptance, excess application and payment procedures**

- : The procedures for, and the terms and conditions applicable to, the acceptances of the provisional allotments of the Rights Shares with Warrants and the applications for Excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, will be contained in an instruction booklet to be issued by the Company in connection with the Preferential Offering (the "**Instruction Booklet**") and in the application form for the Rights Shares with Warrants and Excess Rights Shares with Warrants ("**ARE**") and the provisional allotment letter ("**PAL**"). The Instruction Booklet and (in the case of Entitled Depositors), the ARE or (in the case of Entitled Scripholders) the PAL will be despatched by the Company to Entitled Shareholders in due course. A further announcement on the despatch will be made by the Company at the appropriate time.

**As the Preferential Offering is made on a non-renounceable basis, the provisional allotment of Rights Shares with Warrants cannot be renounced in favour of a third party or traded on the SGX-ST.**

**Use of CPF Funds**

- : Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") investible savings (the "**CPF Funds**") under the Central Provident Fund Investment Scheme ("**CPFIS**") ("**CPF Members**") can only use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective investment accounts maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account ("**CPF Investment**

**Accounts”)** to pay for the acceptance of their provisional allotments of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants and subsequently the Exercise Price of the Warrants (if applicable).

Such CPF Members who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants or, as the case may be, pay for the Exercise Price of the Warrants using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective CPF agent banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions of the Instruction Booklet or, as the case may be, to pay for the Exercise Price of the Warrants on their behalf in accordance with the terms and conditions of the Warrants to be set out in the Instrument.

In the case of insufficient CPF Funds or stock limit, CPF Members could top-up cash into their CPF Investment Accounts before instructing their respective CPF agent banks to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf or, as the case may be, to pay for the Exercise Price of the Warrants on their behalf.

**Warrant Agent** : Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.).

**Governing law** : Singapore law.

3.6 **Terms and Conditions of the Preferential Offering.** The terms and conditions of the Preferential Offering may be subject to such changes as the Company deems fit.

3.7 **Books Closure Date.** The Books Closure Date will be separately announced in due course after approval in-principle of the SGX-ST has been obtained.

#### **4. IRREVOCABLE UNDERTAKING**

4.1 **Irrevocable Undertaking.** Mr Lim Chap Huat has given an irrevocable undertaking to the Company to subscribe and pay in full for his entitlements under the Preferential Offering and to make excess application(s) to effectively take up any Rights Shares with Warrants which

are not validly subscribed and/or applied for at the close of the Preferential Offering after satisfaction of all applications and excess applications (if any) for the Rights Shares with Warrants (the “**Irrevocable Undertaking**”).

- 4.2 **Conditions.** The Irrevocable Undertaking by Mr Lim Chap Huat as set out above is subject to and conditional upon the approval in-principle of the SGX-ST (such approval not having been withdrawn or revoked on or prior to the closing date of the Preferential Offering) for the listing of and quotation for the Rights Shares, the Warrants and the New Shares on the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company.

## 5. **SINGAPORE CODE ON TAKE-OVERS AND MERGERS**

The Singapore Code on Take-overs and Mergers (the “**Code**”) regulates the acquisition of ordinary shares of public companies, including the Company. Unless exempted, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% to 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a take-over offer for the remaining Shares in the Company in accordance with the provisions of the Code.

In general, the acquisition of instruments convertible into and options in respect of new shares which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Code but the exercise of any conversion rights or options will be considered an acquisition of voting rights for the purposes of the Code.

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

## 6. **ADJUSTMENTS TO EXISTING WARRANTS**

On 13 July 2016, the Company issued 167,369,000 2016 Warrants pursuant to the 2016 Preferential Offering. The exercise price and/or the number of 2016 Warrants held by each warrantholder will be subject to adjustments under certain circumstances as set out in the instrument by way of a deed poll executed by the Company on 12 July 2016 constituting the 2016 Warrants (the “**2016 Instrument**”). As at the date of this Announcement, the Company has outstanding 2016 Warrants which carry the right to subscribe for an aggregate of 166,683,500 new Shares at an exercise price of S\$0.18 per new Share in accordance with the terms and conditions of the 2016 Warrants.

Pursuant to the terms and conditions of the 2016 Instrument, the Preferential Offering constitutes an event giving rise to an adjustment to the number and exercise price of the 2016 Warrants. Purely for illustrative purposes, on the basis of 672,988,500 issued Shares (of which none are held in treasury) as at the date of this Announcement and assuming that there is no change in the number of issued Shares as at the Books Closure Date and that the Company will issue 168,247,125 Rights Shares:

- (a) pursuant to Condition 5.2.4 of the 2016 Instrument, the number of 2016 Warrants will be increased by up to 2,164,721 additional 2016 Warrants after applying a ratio of 1.013 to the number of existing 2016 Warrants held by each holder of 2016 Warrants and thereafter rounded downwards to the nearest whole 2016 Warrant; and
- (b) pursuant to Condition 5.2.4 of the 2016 Instrument, the exercise price of the 2016 Warrants will be reduced by S\$0.0023 after applying a ratio of 0.987 to the existing exercise price of the 2016 Warrants and thereafter rounded upwards to the nearest one cent. As the adjusted and rounded exercise price is S\$0.18 which is equivalent to the existing exercise price, there is no change to the exercise price of the 2016 Warrants.

The adjustment to the number of 2016 Warrants will be effective (if appropriate, retroactively) from the commencement of the day next following the closing date for the Preferential Offering.

In accordance with the terms and conditions of the 2016 Warrants, the adjustment to the number of 2016 Warrants will be determined by the Directors in consultation with the Company's auditors and will be announced by the Company and notified to warrant holders in due course.

## 7. APPROVALS

- 7.1 **Authority.** The Rights Shares, Warrants and the New Shares are to be issued pursuant to the share issue mandate approved by Shareholders at the annual general meeting of the Company held on 26 April 2019.

The additional 2016 Warrants ("**Additional 2016 Warrants**") and the additional new Shares to be allotted and issued by the Company upon exercise of the Additional 2016 Warrants (the "**Additional New Shares**") are to be issued pursuant to the share issue mandate approved by Shareholders at the annual general meeting of the Company held on 26 April 2016.

- 7.2 **SGX-ST Approval.** The Preferential Offering, the issue of the Additional 2016 Warrants and the issue of the Additional New Shares are subject to the approval in-principle of the SGX-ST for the listing of and quotation for the Rights Shares, the Warrants and the New Shares, as well as the Additional 2016 Warrants and the Additional New Shares, on the Main Board of the SGX-ST. An application will be made by the Company to obtain the SGX-ST's approval for the listing of and quotation for the Rights Shares, the Warrants and the New Shares, as well as the Additional 2016 Warrants and the Additional New Shares. An appropriate announcement (the "**AIP Announcement**") will be made upon the receipt of such in-principle approval from the SGX-ST.

- 7.3 **No Prospectus or Offer Information Statement.** As the Preferential Offering will be made pursuant to the exemptions invoked under Sections 273(1)(ce) and 273(1)(cg) of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore ("**MAS**").

## **8. GENERAL**

- 8.1 **Indicative Timetable.** The indicative timetable for the Preferential Offering will be set out in the AIP Announcement.
- 8.2 **Notification under Section 309B of the SFA.** The provisional allotments of Rights Shares with Warrants, the Rights Shares, the Warrants and the New Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **BY ORDER OF THE BOARD SOILBUILD CONSTRUCTION GROUP LTD.**

Lim Chap Huat  
Executive Chairman

9 May 2019

#### **Important Notice**

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Rights Shares with Warrants and/or the New Shares.

The value of the Rights Shares, the Warrants, the New Shares and/or Shares and the income derived from them, if any, may fall as well as rise. An investment in the Rights Shares, the Warrants, the New Shares and/or Shares is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Company to redeem or purchase their Rights Shares, Warrants, New Shares and/or Shares for so long as the Rights Shares, Warrants, New Shares and/or Shares are listed on the SGX-ST. It is intended that the Shareholders and/or Warrantholders (where applicable) may only deal in their Rights Shares, Warrants, New Shares and/or Shares (where applicable) through trading on the SGX-ST. Listing of the Rights Shares, Warrants, New Shares and/or Shares on the SGX-ST does not guarantee a liquid market for the Rights Shares, Warrants, New Shares and/or Shares.

The past performance of the Company is not necessarily indicative of the future performance of the Company.

## APPENDIX

### TERMS AND CONDITIONS OF THE WARRANTS

The Warrants (as defined herein) to subscribe for new Shares (as defined herein) in the capital of Soilbuild Construction Group Ltd. (the “**Company**”) are issued in conjunction with the *pro rata* and non-renounceable non-underwritten preferential offering of up to 168,247,125 new Shares (the “**Rights Shares**”) with up to 168,247,125 free detachable warrants (the “**Warrants**”) at an issue price of S\$0.073 for each Rights Share with Warrant, each Warrant carrying the right to subscribe for one (1) new Share at an exercise price of S\$0.073 for each new Share, on the basis of one (1) Rights Share with one (1) Warrant for every four (4) existing ordinary shares in the capital of the Company (“**Shares**”) held by entitled shareholders of the Company as at ● 2019, being the books closure date determined by the Company for the purposes of determining the entitlements of shareholders of the Company to the Rights Shares with Warrants, fractional entitlements to be disregarded, and are issued subject to and with the benefit of an instrument dated ● 2019 (the “**Instrument**”) made by the Company. The issue of the Warrants was authorised by resolutions of the shareholders of the Company passed on 26 April 2019 and by resolutions of the Board of Directors of the Company passed on ● 2019 and ● 2019. The statements in these terms and conditions of the Warrants (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Instrument. Copies of the Instrument are available for inspection at the specified office of the warrant agent referred to in Condition 4.7 (the “**Warrant Agent**”) and the Warrant holders (as defined herein) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Instrument.

#### 1. Definitions

For the purposes of these Conditions and subject as otherwise provided herein:

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

“**Approved Bank**” means any bank or merchant bank in Singapore of international repute and selected by the Directors;

“**Auditors**” means the auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of the Instrument or the Conditions, such other auditors as may be nominated by the Company;

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

“**CPF**” means the Central Provident Fund;

“**CPF Act**” means the Central Provident Fund Act, Chapter 36 of Singapore, as the same may be modified, amended or supplemented from time to time;

**“CPF Agent Bank”** means any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations;

**“CPF Board”** means the Board of the CPF established pursuant to the CPF Act;

**“CPF Investment Account”** means an account opened by a member of CPF with a CPF Agent Bank from which money may be withdrawn for, *inter alia*, payment of the Exercise Price arising from the exercise of each Warrant;

**“CPF Regulations”** means the Central Provident Fund (Investment Schemes) Regulations, as the same may be modified, amended or supplemented from time to time;

**“Depositor”** and **“Depository”** shall have the respective meanings ascribed to them in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore;

**“Directors”** means the directors for the time being of the Company;

**“Exercise Date”** means, in relation to the exercise of a Warrant, the Business Day on which the applicable conditions referred to in Condition 4.1 are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, provided that if any such day falls during a period when the Register is closed, then the Exercise Date shall be the next following Business Day on which the Register is open;

**“Exercise Notice”** means a notice (for the time being current and as the same may be modified or amended from time to time) for the exercise of the Warrants, copies of which may be obtained from the Warrant Agent;

**“Exercise Period”** means the period during which the Warrants may be exercised, commencing on and including the date of the issue of the Warrants and expiring at 5.00 p.m. on the Expiration Date, unless such date is a date on which the Register is closed or is not a Market Day, in which event the period shall end on the Market Day prior to the closure of the Register or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register may be closed pursuant to Condition 4.6;

**“Exercise Price”** means, in respect of each Warrant, S\$0.073 for each Share, subject to adjustment(s) in accordance with Condition 5;

**“Expiration Date”** means the date falling on the fifth (5) anniversary of the date of issue of the Warrants;

**“Last Dealt Price”** means, in relation to a Share on a relevant Market Day, the last dealt price per Share for one or more board lots of Shares on that Market Day on which there is trading of the Shares on the SGX-ST;

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

**“Register”** means the Register of Warrantholders to be maintained by the Warrant Agent pursuant to Condition 4.6;

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

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

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

**“Warrant Agency Agreement”** means the Warrant Agency Agreement dated • 2019 appointing, *inter alia*, the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment;

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

**“Warranholders”** means the registered holders of the Warrants, except that where the registered holder is the Depository, the term **“Warranholders”** shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Accounts with the Depository are credited with Warrants and provided that for the purposes of Schedule 2 of the Instrument relating to meetings of Warranholders, such Warranholders shall mean those Depositors having Warrants credited to their Securities Accounts as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of a meeting of Warranholders supplied by the Depository to the Company. The word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly.

## **2. Form and Title**

2.1 The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 9. The Warrant Agent will maintain the Register on behalf of the Company and except as may be ordered by a court of competent jurisdiction or as may be required by law:

2.1.1 the registered holder of Warrants (other than the Depository); and

2.1.2 (where the registered holder of Warrants is the Depository) each Depositor for the time being appearing in the records maintained by the Depository as having Warrants credited to the Depositor’s Securities Account(s),

will be deemed to be and be treated as the absolute owner thereof (whether or not the Company shall be in default in respect of the Warrants or its covenants contained in the Instrument and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft of the relevant Warrant Certificate) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes.

2.2 The executors or trustees of a deceased Warranholder whose Warrants are registered otherwise than in the name of Depository (not being one of several joint holders whose Warrants are registered otherwise than in the name of Depository) and, in the case of the

death of one or more of several joint holders, the survivor or survivors of such joint holders, shall be the only person(s) recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warranholder. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on the payment of such fees and expenses referred to in Condition 9, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warranholder could have made.

2.3 If two or more persons are entered into the Register or, as the case may be, the records maintained by the Depository, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the following provisions:

2.3.1 the Company shall not be bound to register more than two persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warranholder;

2.3.2 joint holders of any Warrant whose names are entered into the Register or, as the case may be, the relevant records maintained by the Depository shall be treated as one Warranholder;

2.3.3 the Company shall not be bound to issue more than one Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register shall be sufficient delivery to all; and

2.3.4 the joint holders of any Warrant whose names are entered into the Register or, as the case may be, the relevant records maintained by the Depository shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant.

### **3. Exercise Rights**

3.1 Each Warranholder shall have the right, by way of exercise of a Warrant, at any time during normal business hours on any Business Day (before 3.00 p.m. on any Business Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date) during the Exercise Period in the manner set out in Condition 4 and otherwise on the terms and subject to the Conditions set out below, to subscribe for one Share at the Exercise Price, subject to adjustment(s) in accordance with Condition 5, on the Exercise Date applicable to such Warrant.

3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.

3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.

### **4. Procedure for Exercise of Warrants**

#### **4.1 Lodgment Conditions**

In order to exercise one or more Warrants, a Warranholder must fulfil all the following conditions:

- 4.1.1 lodgment during normal business hours (before 3.00 p.m. on any Business Day prior to the Expiration Date and before 5.00 p.m. on the Expiration Date) of the relevant Warrant Certificate registered in the name of the exercising Warrantholder for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current and as the same may be modified or amended from time to time) obtainable from the Warrant Agent, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;
- 4.1.2 the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any);
- 4.1.3 the payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4.2 below;
- 4.1.4 the payment of a deposit or other fees for the time being chargeable by, and payable to, the Depository (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
- 4.1.5 if applicable, the payment of any fees for certificates for the Shares to be issued and the expenses of, and the submission of any necessary documents required in order to effect, the delivery of certificates for the Shares upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice.

Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on that number of Warrants so exercised being available in the "Free Balance" of the Securities Account(s) of the exercising Warrantholder with the Depository until the relevant Exercise Date and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the Shares arising from the exercise of the relevant Warrants to be effected by crediting such Shares to the Securities Account(s) of the exercising Warrantholder, or, in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price arising from the exercise of each Warrant, by crediting such Shares to the Securities Account of the nominee company of the CPF Agent Bank, as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), Exercise Notice and any monies tendered in or towards payment of the Exercise Price in accordance with Condition 4.2 below may not be withdrawn without the consent in writing of the Company.

## 4.2 **Payment of Exercise Price**

Payment of the Exercise Price shall be made:

- 4.2.1 to the specified office of the Warrant Agent by way of a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore, and/or by debiting the CPF Investment Account with the CPF Agent Bank, as specified in the Exercise Notice, for the credit of the Special Account for the full amount of the Exercise Price payable in respect of the Warrants exercised, provided that any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to in Condition 4.2.2; and
- 4.2.2 free of any foreign exchange commissions, remittance charges or any other deductions and shall be accompanied by a payment advice containing:
  - (i) the name of the exercising Warrantholder; and
  - (ii) the certificate numbers of the relevant Warrant Certificates or, if the relevant Warrant Certificates are registered in the name of the Depository, the Securities Account(s) of the exercising Warrantholder which is/are to be debited with the Warrants being exercised.

If the payment advice fails to comply with the provisions in Conditions 4.2.1 and 4.2.2, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may accordingly be delayed or treated as invalid. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Special Account (subject to Condition 4.4 below) unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 in an amount sufficient to cover the deficiency.

## 4.3 **Exercise Date**

A Warrant shall (provided that the provisions of Condition 4.1 have been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

#### 4.4 **Special Account**

Payment of the Exercise Price received by the Warrant Agent for credit to the Special Account will be available for release to the Company on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the Shares to be delivered in consequence of the exercise of such Warrants. The relevant Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent of such Warrant Certificates, accompanied by instructions from the Depository as to the cancellation of such Warrant Certificates, from the Depository.

If such payment is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount of the Exercise Price, or the conditions set out in Condition 4.1 have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Special Account pending recognition of such payment or full payment or, fulfilment of the lodgment conditions, as the case may be, but on whichever is the earlier of the day falling 14 days after receipt of such Exercise Notice by the Warrant Agent and the Expiration Date, such payment will (if the Exercise Date in respect of such Warrant(s) has not by then occurred) be returned, without interest, to the person who remitted such payment. The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable) and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice to the exercising Warrantheader at the risk and expense of such Warrantheader. The Company will be entitled to deduct or otherwise recover any applicable handling charges and out-of-pocket expenses of the Warrant Agent. So long as any particular payment remains credited to the Special Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warrantheader but it may only be withdrawn within the abovementioned 14-day period with the consent in writing of the Company.

#### 4.5 **Allotment of Shares and Issue of Balancing Warrant Certificates**

A Warrantheader exercising Warrants which are registered in the name of the Depository must elect in the Exercise Notice to have the delivery of Shares arising from the exercise of such Warrants to be effected by crediting such Shares to the Securities Account of such Warrantheader or, as the case may be, the nominee company of the CPF Agent Bank, as specified in the Exercise Notice. A Warrantheader exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Shares arising from the exercise of such Warrants or to have the delivery of such Shares effected by crediting such Shares to his Securities Account as specified in the Exercise Notice, with the Depository.

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

- 4.5.1 where such Warrantheader has elected in the Exercise Notice to receive physical share certificates in respect of the Shares arising from the exercise of the relevant

Warrants, the Company shall despatch, as soon as practicable but in any event not later than five Business Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantholder the certificates relating to such Shares registered in the name of such Warrantholder; and

- 4.5.2 where such Warrantholder has elected in the Exercise Notice to have the delivery of Shares arising from the exercise of the relevant Warrants to be effected by the crediting of the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Agent Bank, as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five Business Days after the relevant Exercise Date despatch the certificates relating to such Shares in the name of, and to, the Depository for the credit of the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Agent Bank, as specified in the Exercise Notice (in which case, such Warrantholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository, failing which such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such Shares at the address of such Warrantholder as specified in the Register).

Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice and at the risk of that Warrantholder at the same time as it delivers in accordance with the relevant Exercise Notice the certificate(s) relating to the Shares arising upon exercise of such Warrants.

Where such Warrantholder exercises part only (and not all) of his Warrants registered in the name of the Depository, the number of Warrants represented by the Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

#### **4.6 Register of Warrantholders**

The Warrant Agent will maintain the Register, which may be closed for any time or times provided that the Register shall not be closed for more than 30 days in the aggregate in any calendar year. Not less than 14 days' notice of each closure of the Register will be given to the Warrantholders in accordance with Condition 13.

#### **4.7 Warrant Agent**

The name of the initial Warrant Agent and its specified office are set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent and to appoint an additional or another Warrant Agent, provided that it will at all times maintain a Warrant Agent having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent will be given to the Warrantholders in accordance with Condition 13.

Name of initial Warrant Agent : Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)

Office of initial Warrant Agent : 80 Robinson Road #02-00, Singapore 068898

## 5. Adjustments of Exercise Price and Number of Warrants

5.1 The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and/or the Auditors and certified to be in accordance with this Condition 5 by the Approved Bank and/or the Auditors, as the case may be. The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions and the Instrument in all or any of the following cases:

- 5.1.1 any consolidation or subdivision of the Shares;
- 5.1.2 an issue by the Company of Shares for which no consideration is payable or by way of capitalisation of profits or reserves (whether of a capital or income nature) to its members ("**Members**") (other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend);
- 5.1.3 a Capital Distribution (as defined in Condition 5.2.3 below) made by the Company to its Members whether on a reduction of capital or otherwise;
- 5.1.4 an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights; or
- 5.1.5 an issue (otherwise than pursuant to an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights, requiring an adjustment under Condition 5.1.4, and other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend) by the Company of Shares, if the Total Effective Consideration (as defined in Condition 5.2.6 below) for each Share is less than 90 per cent. of the Last Dealt Price for each Share (calculated as provided below).

5.2 Subject to these Conditions and the Instrument, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5.1.1 to 5.1.5 or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank and/or the Auditors shall determine):

5.2.1 If, and whenever, consolidation or subdivision of the Shares occurs, the Exercise Price and the number of Warrants shall be adjusted in the following manner:

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

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

where:

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

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

X = existing Exercise Price; and

W = existing number of Warrants held.

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

5.2.2 If, and whenever, the Company shall make any issue of Shares to its Members (other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend) for which no consideration is payable or, by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Warrants shall be adjusted in the following manner:

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

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

where:

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

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

X = as in X above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day next following the record date for such issue.

For the purpose of this Condition 5, "**record date**" in relation to the relevant transaction means the date as at the close of business (or such other time as may be notified by the Company) on which Members must be registered as such to participate therein.

5.2.3 If, and whenever, the Company shall make a Capital Distribution (as defined herein) to Members whether on a reduction of capital or otherwise, then the Exercise Price shall be adjusted in the following manner:

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

where:

C = the Last Dealt Price on the Market Day immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution;

D = the fair market value, as determined by an Approved Bank and/or the Auditors, of that portion of the Capital Distribution attributable to one Share; and

X = as in X above.

For the purposes of Conditions 5.1.3 and 5.2.3, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.2.2) or other securities (other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend) by way of capitalisation of profits or reserves.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the date next following the record date for such transactions.

5.2.4 If, and whenever, the Company shall make any offer or invitation to its Members whereunder they may acquire or subscribe for Shares by way of rights, then the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{E - F}{E} \times X$$

$$\text{Adjusted number of Warrants} = \frac{E}{E - F} \times W$$

where:

E = the Last Dealt Price on the Market Day immediately preceding the date on which the offer or invitation referred to in this Condition 5.2.4 is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the offer or invitation;

X = as in X above;

W = as in W above; and

F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

E = as in E above;

G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

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

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

5.2.5 If, and whenever, the Company makes any allotment to its Members as provided in Condition 5.2.2 and also makes any offer or invitation to its Members as provided in Condition 5.2.4 and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants shall be adjusted in the following manner:

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

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

where:

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

E = as in E above;

J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

G = as in G above;

B = as in B above;

X = as in X above; and

W = as in W above.

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

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

- 5.2.6 If, and whenever (otherwise than pursuant to a rights issue available to all Members alike and requiring an adjustment under Conditions 5.2.4 or 5.2.5 and other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined herein) is less than 90 per cent. of the Last Dealt Price on the SGX-ST on the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{K + L}{K + M} \times X$$

where:

K = the number of Shares in issue at the close of business on the SGX-ST on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;

L = the number of Shares which the Total Effective Consideration (as defined herein) would have purchased at such Last Dealt Price (exclusive of expenses);

M = the aggregate number of Shares so issued; and

X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on the Market Day immediately preceding the date on which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purposes of Conditions 5.1.5 and 5.2.6, the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and/or the Auditors and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

- 5.3 Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants will be required in respect of:

- 5.3.1 an issue by the Company of Shares to officers, including directors, or employees of the Company or any of its subsidiaries or associated companies pursuant to any purchase or option scheme or performance share plan approved by the Members in general meeting;
  - 5.3.2 an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;
  - 5.3.3 any issue by the Company of Shares pursuant to the exercise of any of the Warrants;
  - 5.3.4 any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares; or
  - 5.3.5 subject to Condition 5.11 below, any purchase by the Company of Shares.
- 5.4 Any adjustment to the Exercise Price will be rounded upwards to the nearest half cent (S\$0.005) and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Exercise Price. No adjustments to the Exercise Price shall be made unless it is in accordance with Condition 5.2. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than half cent (S\$0.005) but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- 5.5 Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless it is in accordance with this Condition 5 and approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants.
- 5.6 Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Bank and/or the Auditors to consider whether, for any reason whatsoever, the absence of an adjustment or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank and/or the Auditors shall consider the adjustment or absence of an adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank and/or the Auditors to be in its opinion appropriate.
- 5.7 Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 13 that the Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, at all times thereafter so long as any of the Warrants remains exercisable, make available for inspection at its registered office a signed copy of the certificate of the Approved

Bank and/or the Auditors, as the case may be, and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any Warrantholder. Whenever there is an adjustment to the number of Warrants, the Company will, as soon as practicable but not later than five Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificate(s) for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, at his address appearing in the Register or, in respect of Warrants registered in the name of the Depository, to the Depository.

- 5.8 If the Directors and the Approved Bank and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank and/or the Auditors acting as expert and not arbitrator and whose decision as to such adjustment shall be final and conclusive.
- 5.9 If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank and/or the Auditors to consider whether any adjustment is appropriate and if such Approved Bank and/or the Auditors and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- 5.10 Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Instrument, and shall be issued subject to and with the benefit of the Instrument and on such terms and conditions as the Directors may from time to time think fit, including but not limited to the terms and conditions as set out herein for the Warrants.
- 5.11 If the Company shall purchase or otherwise acquire Shares issued by it pursuant to the provisions of the Act, the Company shall, if so required by the Warrantholders by way of an Extraordinary Resolution (as defined in the Instrument), appoint an Approved Bank and/or the Auditors to consider whether any adjustment is appropriate and if such Approved Bank and/or the Auditors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.
- 5.12 In giving any certificate or making any adjustment hereunder, the Approved Bank and/or the Auditors shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants other than in accordance with the provisions of this Condition 5, shall be subject to the approval of the SGX-ST and agreed to by the Company and the Approved Bank and/or the Auditors.

## 6. Status of Shares

Shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank for any dividends, rights, allotments or other distributions, the Record Date for which is on or after the date of allotment and issue of the Shares arising from the exercise of the relevant Warrants, and (subject as aforesaid) shall rank *pari passu* in all respects with the then existing Shares. For the purpose of this Condition 6, “**Record Date**” means, in relation to any dividends, rights, allotments or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Members must be registered in order to participate in such dividends, rights, allotments or other distributions.

## 7. Winding-Up of the Company

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

7.1.1 if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warranholders, or some person designated by them for such purpose by Extraordinary Resolution, shall be a party, the terms of such scheme of arrangement shall be binding on all the Warranholders; and

7.1.2 in any other case, every Warranholder shall be entitled, upon and subject to the Conditions, at any time within six weeks after the passing of such resolution for a members’ voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with Condition 13 of the passing of any such resolution within seven Market Days after the passing thereof.

Subject to the foregoing, if the Company is wound-up for any reason other than a members’ voluntary winding-up, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

## 8. Further Issues

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

## 9. Transfer of Warrants

9.1 In order to transfer Warrants, the Warranholder must fulfil the following conditions:

- 9.1.1 lodgment during normal business hours of the relevant Warrant Certificate(s) registered in the name of the Warrantholder at the specified office of the Warrant Agent together with an instrument of transfer in respect thereof (the “**Transfer Form**”), in the form approved by the Company, duly completed and signed by or on behalf of the Warrantholder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided that the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;
  - 9.1.2 the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warrantholder;
  - 9.1.3 the payment of the registration fee of S\$2.00 (or such other amount as may be determined by the Company) (subject to goods and services tax at the prevailing rate, if applicable) for every Warrant Certificate issued; and
  - 9.1.4 the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of, the new Warrant Certificate(s) to be issued in the name of the transferee.
- 9.2 The Warrantholder specified in the Register shall remain the registered holder of the Warrants until the name of the transferee is entered in the Register maintained by the Warrant Agent.
- 9.3 If the Transfer Form has not been fully or correctly completed by the transferring Warrantholder or the full amount of the fees and expenses due to the Warrant Agent has not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the transferring Warrantholder accompanied by written notice of the omission(s) or error(s) and request the transferring Warrantholder to complete and/or amend the Transfer Form and/or to make the requisite payment.
- 9.4 If the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:
- 9.4.1 register the person named in the Transfer Form as transferee in the Register as the registered holder of the Warrant in place of the transferring Warrantholder;
  - 9.4.2 cancel the Warrant Certificate(s) in the name of the transferring Warrantholder; and
  - 9.4.3 issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.
- 9.5 The executors or trustees of a deceased registered Warrantholder whose Warrants are registered otherwise than in the name of Depository (not being one of several joint holders whose Warrants are registered otherwise than in the name of Depository) and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders, shall be the only person(s) recognised by the Company as having any title to the Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and payment of the fees

and expenses referred to in sub-paragraphs 9.1.3 and 9.1.4 above be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantholder could have made.

Should the Warrants be registered in the name of the Depository and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book entry.

#### **10. Replacement of Warrant Certificates**

Should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced at the specified office of the Warrant Agent, upon payment by the claimant of the expenses incurred in connection therewith and the replacement fee of S\$2.00 (or such other sum being the replacement fee for the time being, which replacement fee shall not exceed the maximum sum for the time being prescribed by any applicable law) for every Warrant Certificate issued and on such terms as to evidence and indemnity (which shall provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof) as the Company may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

#### **11. Warrant Agent not Acting for the Warrantholders**

In acting under the Warrant Agency Agreement, the Warrant Agent is, subject to the terms therein, acting solely as agent for the Company for certain specified purposes, and does not assume any obligation or duty to or any relationship of agency or trust for the Warrantholders.

#### **12. Meetings of Warrantholders and Modification**

- 12.1 The Instrument contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Warrants or the Instrument. Such a meeting may be convened by the Company or by Warrantholders holding not less than 10 per cent. of the Warrants for the time being remaining unexercised (as defined in the Instrument). The quorum at any such meeting for passing an Extraordinary Resolution shall be two or more persons holding or representing over 50 per cent. of the Warrants for the time being unexercised or, at any adjourned meeting, two or more persons being or representing Warrantholders whatever the number of Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Instrument (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Period), the necessary quorum for passing an Extraordinary Resolution shall be two or more persons holding or representing not less than 75 per cent. or, at any adjournment of such meeting, over 50 per cent. of the Warrants for the time being remaining unexercised. An Extraordinary Resolution duly passed at any meeting of Warrantholders shall be binding on all Warrantholders, whether or not they are present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgment, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantholders.

- 12.2 The Company may, without the consent of the Warrantheolders but in accordance with the terms of the Instrument, effect:
- 12.2.1 any modification to the Warrants, the Warrant Agency Agreement or the Instrument which, in their opinion, is not materially prejudicial to the interests of the Warrantheolders;
  - 12.2.2 any modification to the Warrants, the Warrant Agency Agreement or the Instrument which, in their opinion, is to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or
  - 12.2.3 any modification to the Warrants or the Instrument which, in their opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Main Board of the SGX-ST, provided that such modification is not materially prejudicial to the interests of the Warrantheolders.

Any such modification shall be binding on the Warrantheolders and shall be notified to them in accordance with Condition 13 as soon as practicable thereafter.

- 12.3 Any alteration to the terms and/or conditions of the Warrants after the issue thereof must be approved by the SGX-ST, except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Instrument.
- 12.4 Notwithstanding any other provisions as set out in the Instrument, any material alteration to the terms and/or conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to the shareholders of the Company must be approved by the shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants.

### **13. Notices**

- 13.1 All notices to Warrantheolders will be valid if published in a daily English language newspaper of general circulation in Singapore. If at any time publication in such newspaper is not practicable, notices will be valid if published in such other manner as the Company, with the approval of the Warrant Agent, shall determine. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.
- 13.2 The Company shall, not later than one month before the Expiration Date, give notice to the Warrantheolders in accordance with this Condition 13, of the Expiration Date and make an announcement of the same to the SGX-ST. The Company shall also, not later than one month before the Expiration Date, take reasonable steps to notify the Warrantheolders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Warrants are registered in the name of the Depository, their addresses as shown in the records of the Depository. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.

#### 14. Stamp Duty on Exercise of Warrants

The Company will pay all stamp duties and other similar duties or taxes payable in Singapore on or in connection with the constitution and initial issue of the Warrants, the distribution of the Warrants and the execution of the Instrument. Any other stamp duties, similar duties or taxes (if any) or other fees payable to the Depository on, or arising from, the exercise of Warrants will be for the account of the relevant Warrantholder.

#### 15. Third Party Rights

No person shall have any right to enforce any term or condition of the Warrants and the Instrument under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

#### 16. Governing Law

16.1 The Warrants and the Instrument are governed by, and shall be construed in accordance with, the laws of the Republic of Singapore.

16.2 The courts of Singapore are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Warrants and the Instrument and accordingly any legal action or proceedings arising out of or in connection with the Warrants and the Instrument ("**Proceedings**") may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

#### NOTES:

1. The attention of Warrantholders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers (the "**Code**") and Section 139 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), as amended from time to time. In particular, a Warrantholder should note that he may be under an obligation to extend a take-over offer of the Company if:
  - (a) he acquires whether by exercise of the Warrants over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him (the term "**acting in concert**" as used herein shall have the meaning ascribed thereto by the Code)) carry 30 per cent. or more of the voting rights of the Company; or
  - (b) he, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of the Company, and he, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than one per cent. of the voting rights of the Company.
2. A Warrantholder who, after the exercise of his Warrants, has an interest (as defined in the SFA) in not less than five per cent. of the total votes attached to all the voting shares in the Company, is under an obligation to notify the Company and other relevant persons of his interest in the manner set out in Section 135, Section 136, Section 137A and Section 137B of the SFA.