

## APPENDIX DATED 6 APRIL 2017

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

This Appendix is circulated to the shareholders (the “**Shareholders**”) of Singapore O&G Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) together with the Company’s annual report for the financial year ended 31 December 2016 (“**Annual Report 2016**”). Its purpose is to explain to the Shareholders the rationale and to provide information for the Proposed Share Split (as defined herein), to be tabled at the Annual General Meeting (“**AGM**”) to be held on 21 April 2017 at Conrad Centennial Hotel, Level 2, North Ballroom, 2 Temasek Boulevard, Singapore 038982 at 10.00 a.m.

The Notice of AGM (“**Notice**”) and a proxy form are enclosed with the Annual Report 2016.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward the Annual Report 2016 (including the Notice of AGM and the proxy form) and this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

**If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

This Appendix has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Hong Leong Finance Limited (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited’s (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). The Sponsor has not independently verified the contents of this Appendix including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this Appendix.

This Appendix has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made, or reports contained in this Appendix.

The contact person for the Sponsor is Mr. Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, telephone: (65) 6415 9886.



## **SINGAPORE O&G LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201100687M)

**APPENDIX TO THE NOTICE OF AGM DATED 6 APRIL 2017**

**IN RELATION TO THE PROPOSED SHARE SPLIT**

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## DEFINITIONS

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In this Appendix, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<b>“Additional Shares”</b>	:	238,401,501 new Shares arising from the Proposed Share Split
<b>“AGM”</b>	:	Annual general meeting of the Company. Unless the context otherwise requires, <b>“AGM”</b> shall refer to the AGM to be held on 21 April 2017 at Conrad Centennial Hotel, Level 2, North Ballroom, 2 Temasek Boulevard, Singapore 038982 at 10.00 a.m.
<b>“Annual Report”</b>	:	The Company’s annual report for the financial year ended 31 December 2016
<b>“Appendix”</b>	:	This appendix to the Annual Report
<b>“Board”</b>	:	The board of Directors of the Company as at the date of this Appendix
<b>“Books Closure Date”</b>	:	The time and date, to be determined by the Directors, at and on which the Register of Members and the share transfer books of the Company will be closed to determine the entitlements of Shareholders under the Proposed Share Split
<b>“Catalist”</b>	:	The Catalist board of the SGX-ST
<b>“Catalist Rules”</b>	:	Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Company”</b>	:	Singapore O&G Ltd.
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50, of Singapore, as amended, modified or supplemented from time to time
<b>“Constitution”</b>	:	The constitution of the Company, as amended, modified or supplemented from time to time
<b>“Directors”</b>	:	The Directors of the Company as at the date of this Appendix
<b>“EPS”</b>	:	Earnings per Share
<b>“FY2016”</b>	:	Financial year ended 31 December 2016
<b>“Group”</b>	:	The Company and its subsidiaries, collectively
<b>“Latest Practicable Date”</b>	:	27 March 2017, being the latest practicable date prior to the printing of this Appendix
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Notice of AGM”</b>	:	The notice of AGM dated 6 April 2017 as set out on pages 200 to 203 of the Annual Report
<b>“NTA”</b>	:	Net tangible assets
<b>“Proposed Share Split”</b>	:	The proposed share split of every one (1) existing Share in the capital of the Company into two (2) Shares

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## DEFINITIONS

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“Register of Members”	:	The principal register of members (duly registered holders of shares)
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act, Chapter 289, of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of the Shares except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors who have entered their names in the Depository Register
“Shares”	:	Ordinary shares in the share capital of the Company
“Share Registrar”	:	Tricor Barbinder Share Registration Services
“Sponsor”	:	Hong Leong Finance Limited
“Substantial Shareholder”	:	A person who has an interest in voting shares of the Company and the total votes attached to which is not less than 5.0% of the total votes attached to all the voting shares in the Company

### Currencies, Units and Others

“S\$” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
“%” or “per cent.”	:	Per centum or percentage

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

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

Any reference to a time of day in this Appendix shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Appendix to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act or the Catalist Rules or any modification thereof and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Companies Act or the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

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

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

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

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## LETTER TO SHAREHOLDERS

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**SINGAPORE O&G LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201100687M)

**Board of Directors:**

Dr. Heng Tung Lan (Executive Chairman)  
Dr. Lee Keen Whye (Executive Director)  
Dr. Beh Suan Tiong (Executive Director)  
Mr. Christopher Chong Meng Tak (Lead Independent Director)  
Mr. Chan Heng Toong (Independent Director)  
Mr. Chooi Yee-Choong (Independent Director)

**Registered Office:**

34 Cassia Crescent  
#01-80  
Singapore 390034

6 April 2017

To: The Shareholders of Singapore O&G Ltd.

Dear Sir/Madam,

**THE PROPOSED SHARE SPLIT OF EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY INTO TWO (2) ORDINARY SHARES**

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**1. INTRODUCTION**

- 1.1 On 27 March 2017, the Company announced the Proposed Share Split of every one (1) existing Share in the capital of the Company into two (2) Shares, the completion of which will result in the Company having an issued and paid-up share capital of S\$29,645,500 comprising 476,803,002 Shares.
- 1.2 This Appendix is circulated to Shareholders together with the Company's Annual Report. The purpose of this Appendix is to explain to the Shareholders the rationale and to provide information for the Proposed Share Split to be tabled at the AGM which is scheduled to be held on 21 April 2017 at Conrad Centennial Hotel, Level 2, North Ballroom, 2 Temasek Boulevard, Singapore 038982 at 10.00 a.m.
- 1.3 The Sponsor and the SGX-ST take no responsibility for the contents of this Appendix, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Appendix.

**2. THE PROPOSED SHARE SPLIT**

**2.1 Terms of the Proposed Share Split**

The Company proposes to split every one (1) existing Share in the capital of the Company into two (2) Shares. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$29,645,500 comprising 238,401,501 issued Shares. Following the completion of the Proposed Share Split, an additional 238,401,501 Shares will be allotted and issued, and the Company shall have an issued and paid-up share capital of S\$29,645,500 comprising 476,803,002 issued Shares.

Shareholders are not required to make any payment to the Company in respect of the Proposed Share Split. All Shares after the Proposed Share Split shall rank *pari passu* with one another, except that the Additional Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the date of issue of the Additional Shares. For this purpose, "**record date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or the CDP in order to participate in such dividends, rights, allotments or other distributions.

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## LETTER TO SHAREHOLDERS

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### 2.2 Rationale for the Proposed Share Split

The Directors believe that the Proposed Share Split is beneficial to the Company and its Shareholders for the following reasons:

(a) Reduced price of each Share and increased market liquidity of the Shares

Following the Proposed Share Split, the price of each Share will be reduced, which in turn, will make the Shares more affordable, thus, encouraging greater participation by investors as well as providing greater trading flexibility. Furthermore, the reduced price of each board lot of Shares will make the Shares more accessible and attractive to both existing and potential investors, thus, enhancing the trading liquidity of the Shares over time.

(b) Broaden the base of Shareholders

Pursuant to the above, the number of Shareholders after the Proposed Share Split may increase as investment in the Shares becomes more accessible to investors with varying investment profiles.

**For illustration purposes only** and assuming that the Proposed Share Split had been completed on the Latest Practicable Date, the theoretical price for the Shares traded after the Proposed Share Split would be S\$0.6575 (based on the volume weighted average price of each Share for trades done on the Catalist of the SGX-ST on the Latest Practicable Date of S\$1.315).

Shareholders should, however, note that there can be no assurance that the abovementioned can be achieved as a result of the Proposed Share Split, nor can there be any assurance that such a result can be sustained in the longer term. Shareholders should also note that there can be no assurance that the market price of the Shares after the completion of the Proposed Share Split would be equal to or higher than the theoretical price following the Proposed Share Split.

### 2.3 Conditions for the Proposed Share Split

The Proposed Share Split is subject to approval from Shareholders by way of an ordinary resolution at the AGM of the Company.

The Proposed Share Split is also subject to the receipt of a listing and quotation notice from the SGX-ST (the "LQN") for the dealing in, the listing of, and the quotation for, the Additional Shares arising from the Proposed Share Split. The Sponsor has, for and on behalf of the Company, submitted an application to the SGX-ST on 28 March 2017 for the dealing in, the listing of, and the quotation for, the Additional Shares. The Company will make an announcement once the LQN has been obtained from the SGX-ST.

**It should be noted that the LQN, if issued by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Share Split, the Additional Shares arising from the Proposed Share Split, the Company, its subsidiaries and their securities.**

### 2.4 Financial Effects of the Proposed Share Split

#### 2.4.1 Share Capital

**For illustration purposes only**, the financial effects of the Proposed Share Split on the Company's issued and paid-up share capital are set out below:

	Before the Proposed Share Split	After the Proposed Share Split
Issued and paid-up share capital (S\$)	29,645,500	29,645,500
Number of Shares	238,401,501	476,803,002

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## LETTER TO SHAREHOLDERS

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### 2.4.2 NTA

**For illustration purposes only**, the financial effects of the Proposed Share Split on the Group's NTA, based on the latest audited consolidated financial statements of the Group for FY2016 and assuming that the Proposed Share Split had been completed on 31 December 2016, are set out below:

	Before the Proposed Share Split	After the Proposed Share Split
NTA (S\$)	41,643,987	41,643,987
Number of Shares (excluding treasury shares)	238,401,501	476,803,002
NTA per Share (cents)	17.47	8.73

### 2.4.3 EPS

**For illustration purposes only**, the financial effects of the Proposed Share Split on the EPS of the Group, based on the latest audited consolidated financial statements of the Group for FY2016 and assuming that the Proposed Share Split had been completed on 1 January 2016, are set out below:

	Before the Proposed Share Split	After the Proposed Share Split
Net profit attributable to Shareholders (S\$)	8,803,678	8,803,678
Weighted average number of Shares	235,851,313	474,252,814
EPS (cents)	3.73	1.86

### 2.4.4 Gearing

The Proposed Share Split will not have any effect on the gearing of the Group.

## 2.5 **Dividends**

If the Proposed Share Split is approved by Shareholders at the AGM, and barring any unforeseen circumstances and subject to market conditions, the performance and the funding requirements of the Group, the Company expects to maintain the quantum of total dividends payable in respect of FY2016.

## 3. **PROCEDURES FOR THE PROPOSED SHARE SPLIT**

Persons registered in the Register of Members of the Company and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be included for the purpose of the Proposed Share Split on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date. The Books Closure Date for the purpose of determining the Shareholders' entitlements under the Proposed Share Split will be announced by the Company in due course.

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## LETTER TO SHAREHOLDERS

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### 3.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the Shares in their own names (“**Existing Share Certificates**”) and who wish to deposit the same with CDP for the purposes of the Proposed Share Split, must deposit their Existing Shares Certificates, together with the duly executed instruments of transfer in favour of CDP, not later than twelve (12) Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept for deposit physical share certificates to be issued for the purposes of the Proposed Share Split in their own names (the “**New Share Certificates**”). Shareholders who wish to deposit their physical share certificates after the Books Closure Date must first deliver their Existing Share Certificates to the Company’s Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898. The New Share Certificates will then be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Market Days from the date of receipt of the Existing Share Certificates. Upon receipt of the New Share Certificates, Shareholders may then proceed to deposit these New Share Certificates with CDP.

### 3.2 Shareholders’ entitlement and New Share Certificates

Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be attributed the number of Shares pursuant to the Proposed Share Split based on the number of Shares standing to the credit of their Securities Accounts as at the Books Closure Date.

Shareholders who have not deposited their Existing Share Certificates as aforesaid or who do not wish to deposit their Existing Share Certificates with CDP are advised to forward all their Existing Share Certificates to the Company’s Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898, as soon as possible after the AGM for cancellation and exchange for the New Share Certificates.

New Share Certificates to be issued pursuant to the Proposed Share Split will be sent within ten (10) Market Days of the Share Split Books Closure Date to:

- (a) Shareholders who are Depositors, by sending the same to CDP; and
- (b) Shareholders who are not Depositors, by ordinary post at their respective address shown in the Register of Members of the Company or in the case of joint holders, to the first name holder at this registered address, at the sole risk of the holders.

No receipt will be issued by the Share Registrar for the physical share certificates tendered.

Shareholders who hold physical share certificates are reminded that their Existing Share Certificates are no longer good for settlement of trading in the Shares on the Catalist (as the Company is under a book-entry (scripless) settlement system) but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Share Registrar. The Existing Share Certificates and the New Share Certificates will not be valid for delivery pursuant to trades done on the Catalist although they will continue to be *prima facie* evidence of legal title.

Shareholders who have lost any of their Existing Share Certificates or whose addresses have been changed from those reflected in the Company’s Register of Members should notify the Share Registrar immediately.

Shareholders being Depositors whose addresses have been changed from those reflected with CDP should notify CDP immediately.

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## LETTER TO SHAREHOLDERS

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### 3.3 Trading of Shares arising from the Proposed Share Split

Trading of the Shares (on a sub-divided basis) will commence prior to the Books Closure Date on account of the fact that trades on the SGX-ST are settled on a “T+3” settlement cycle, that is, a purchase or sale of Shares on a particular day (T) will be settled three (3) Market Days later (T+3). Accordingly, for trading purposes:

- (a) trading in the Shares (prior to the sub-division pursuant to the Proposed Share Split) will cease at 5.00 p.m. on the day falling three (3) Market Days before the Books Closure Date (“**Cessation Date**”); and
- (b) trading in the Shares (on a sub-divided basis following completion of the Proposed Share Split) will commence from 9.00 a.m. on the day falling two (2) Market Days before the Books Closure Date (the “**Effective Trading Date**”).

The Cessation Date and the Effective Trading Date will be announced in due course.

For the purpose of trading on the SGX-ST following the Proposed Share Split, each board lot of Shares will comprise 100 Shares. Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market. The Company notes that the Share Split will not result in odd lots.

## 4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 4.1 The interests of the Directors and Substantial Shareholders in the Shares of the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
<u>Directors</u>				
Dr. Heng Tung Lan	70,176,807	29.44	–	–
Dr. Lee Keen Whye	22,703,428	9.52	18,052,262 <sup>(2)</sup>	7.57
Dr. Beh Suan Tiong	23,954,226	10.05	236,000 <sup>(3)</sup>	0.10
Mr. Christopher Chong Meng Tak	100,000	0.04	–	–
Mr. Chan Heng Toong	100,000	0.04	–	–
Mr. Chooi Yee-Choong	300,000	0.12	–	–
<u>Substantial Shareholders (other than Directors)</u>				
Dr. Lim Teng Ee Joyce	20,411,501	8.56	–	–
Dr. Choo Wan Ling	18,392,139	7.71	–	–

**Notes:**

<sup>(1)</sup> Based on the total issued and fully paid-up ordinary share capital of 238,401,501 Shares as at the Latest Practicable Date.

<sup>(2)</sup> Dr. Lee Keen Whye has a deemed interest in the shareholdings of 3,052,262 held by his wife, Dr. Wong Chui Fong and the shareholdings of 15,000,000 is held in his name under DBS Nominees account.

<sup>(3)</sup> Dr. Beh Suan Tiong has a deemed interest in the shareholdings held by his wife, Ms. Heng Siok Hong Veronica.

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## LETTER TO SHAREHOLDERS

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### 4.2 Interests in the Proposed Share Split

None of the Directors or Substantial Shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Share Split, other than through their respective shareholdings in the Company.

### 5. DIRECTORS' RECOMMENDATION

Having fully considered the rationale for the Proposed Share Split as set out in this Appendix, the Directors are of the opinion that the Proposed Share Split is in the best interest of the Company. The Directors accordingly recommend that Shareholders vote in favour of the ordinary resolution to approve the Proposed Share Split at the AGM.

### 6. AGM

The AGM, notice of which is set out on pages 200 to 203 of the Annual Report, will be held on 21 April 2017 at Conrad Centennial Hotel, Level 2, North Ballroom, 2 Temasek Boulevard, Singapore 038982 at 10.00 a.m., for the purpose of considering and, if thought fit, passing with or without any modifications, the resolutions as set out in the Notice of AGM.

### 7. CLOSURE OF BOOKS

The Books Closure Date will be announced by the Company in due course.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 9. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this Appendix and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

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## LETTER TO SHAREHOLDERS

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### 10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 34 Cassia Crescent, #01-80 Singapore 390034 during normal business hours from the date of this Appendix up to and including the time and date of the AGM:

- (a) the annual report of the Company for FY2016; and
- (b) the Constitution of the Company;

Yours faithfully  
For and on behalf of the Board  
**SINGAPORE O&G LTD.**

Dr. Ng Koon Keng  
Chief Executive Officer  
6 April 2017