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- (1) **PROPOSED ACQUISITIONS BY THE COMPANY CONSTITUTING A VERY SUBSTANTIAL ACQUISITION AND AN INTERESTED PERSON TRANSACTION – EXECUTION OF CONDITIONAL SALE AND PURCHASE AGREEMENTS; AND**
- (2) **PROPOSED SHARE CONSOLIDATION**
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Unless otherwise defined, all terms and references used herein are as defined in the MOU Announcement (as defined below).

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Enviro-Hub Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on 18 March 2015 (the “**MOU Announcement**”) in relation to the entry by the Company into the memorandum of understanding (the “**MOU**”) dated 18 March 2015 with BS Capital Pte. Ltd. (“**BS Capital**”) in relation to, *inter alia*, the proposed acquisition by the Company of 875 ordinary shares representing 87.5% of the total issued share capital of Carros Project Management Pte. Ltd. (formerly known as “Lam Huat Development Pte. Ltd.”) (“**CPM**”) and 490,000 ordinary shares representing 49.0% of the total issued share capital of EH Property & Investments Pte. Ltd. (“**EHPI**”), from BS Capital.

Further to the MOU Announcement, the Board wishes to announce that the parties have on 21 July 2015 entered into the following definitive conditional sale and purchase agreements contemplated under the MOU:

- (a) the conditional sale and purchase agreement (“**BS and KD SPA**”) entered into between the Company, BS Investors Pte. Ltd. (“**BS Investors**”), BS Bendemeer Pte. Ltd. (“**BSB**”), Kranji Development Pte. Ltd. (“**KDPL**”) and CPM dated 21 July 2015 in relation to the proposed acquisition by the Company from BS Investors of (i) 200,000 ordinary shares (“**BS Sale Shares**”), representing 20.0% of the total issued share capital of BSB, and (ii) 200,000 ordinary shares (“**KD Sale Shares**”), representing 20.0% of the total issued ordinary share capital of KDPL (the “**BS and KD Acquisition**”);
- (b) the conditional sale and purchase agreement (“**CPM SPA**”) entered into between the Company, BS Capital and CPM dated 21 July 2015 in relation to the proposed acquisition by the Company from BS Capital of 875 ordinary shares (“**CPM Sale Shares**”), representing 87.5% of the total issued share capital of CPM (the “**CPM Acquisition**”);
- (c) the conditional sale and purchase agreement (“**EHPI SPA**”) entered into between the Company, BS Capital and EHPI dated 21 July 2015 in relation to the proposed acquisition by the Company from BS Capital of 490,000 ordinary shares (“**EHPI Sale Shares**”), representing 49.0% of the total issued share capital of EHPI (the “**EHPI Acquisition**”);
- (d) the conditional sale and purchase agreement (“**EPPL SPA**”) entered into between the Company, Enviro-Power Pte. Ltd. (“**Enviro-Power**”), EHPI and Enviro Property Pte. Ltd. (“**EPPL**”) dated 21 July 2015 in relation to the proposed acquisition by the Company from Enviro-Power of 30,000 ordinary shares (“**EPPL Sale Shares**”), representing the entire issued share capital of EPPL; and
- (e) the conditional sale and purchase agreement (“**MCC SPA**”) entered into between the

Company, Marina Investment Holding Pte. Ltd. (“**MIH**”), Quek Ngak Yeong (“**QNY**”), EHPI and Marina Country Club Pte. Ltd. (“**MCC**”) dated 21 July 2015 in relation to (i) the proposed acquisition by the Company from MIH and QNY of an aggregate of 1,512,000 ordinary shares (“**MCC Sale Shares**”), representing the entire issued share capital of MCC (the “**MCC Acquisition**”); and (ii) the proposed assignment to the Company of an aggregate of S\$6.6 million owing from MCC to MIH and QNY (the “**MCC Assigned Shareholders’ Loans**”) (“**MCC Loan Assignment**”).

For the purposes of this announcement:

- (a) “**Shares**” shall mean the ordinary shares in the capital of the Company;
- (b) the BS Sale Shares, KD Sale Shares, CPM Sale Shares, EHPI Sale Shares, EPPL Sale Shares and MCC Sale Shares shall collectively be referred to as the “**Sale Shares**”;
- (c) the BS and KD Acquisition, CPM Acquisition, EHPI Acquisition, EPPL Acquisition and MCC Acquisition shall collectively be referred to as the “**Proposed Acquisitions**” and each, a “**Proposed Acquisition**”;
- (d) BSB, KDPL, CPM, EHPI, EPPL and MCC shall collectively be referred to as the “**Target Companies**” and each, a “**Target Company**”;
- (e) BS Investors, BS Capital, Enviro-Power, MIH and QNY shall collectively be referred to as the “**Vendors**”;
- (f) BS and KD SPA, CPM SPA, EHPI SPA, EPPL SPA and MCC SPA shall collectively be referred to as the “**Acquisition SPAs**”; and
- (g) “**Enlarged Group**” shall mean the group of companies comprising the Group, the Target Companies and their subsidiaries following the completion of the Proposed Acquisitions, and “**Enlarged Group Company**” shall be construed accordingly.

The terms and conditions under the Acquisition SPAs supersede the terms and conditions under the MOU.

The BS and KD Acquisition, CPM Acquisition and EHPI Acquisition are inter-conditional. The aggregate consideration for the Proposed Acquisitions is S\$290,141,137.84 (the “**Acquisition Consideration**”), which will be satisfied by the Company through a combination of (i) the allotment and issuance of an aggregate of 2,854,547,400 new Shares (the “**Acquisition Consideration Shares**”), credited as fully paid-up, at the issue price of S\$0.10 per Share (the “**Issue Price**”), and (ii) the setting-off of an amount of S\$4,686,397.88 against part of an existing outstanding shareholder’s loan owing from Enviro-Power to the Company. The consideration for the MCC Loan Assignment of S\$6,600,000.00 will be satisfied by the Company through the allotment and issuance of an aggregate of 66,000,000 new Shares at the Issue Price (the “**Loan Assignment Shares**”).

The Acquisition Consideration Shares and the Loan Assignment Shares represent approximately 284.5%¹ of the existing share capital of the Company immediately prior to the Proposed Acquisitions and MCC Loan Assignment (the “**Existing Share Capital**”) and approximately 74.0%² of the enlarged share capital of the Company immediately after the completion (the “**Completion**”) of the Proposed Acquisitions and MCC Loan Assignment (the “**Enlarged Share Capital**”).

The Proposed Acquisitions and MCC Loan Assignment constitute:

- (a) a very substantial acquisition as defined under Chapter 10 of the Listing Manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and will be

¹ Calculated on the basis of 1,026,650,198 existing Shares in the share capital of the Company as at the date of this announcement.

² Calculated on the basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming the completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to completion of the Proposed Share Consolidation.

subject to, *inter alia*, approval of (i) the SGX-ST; and (ii) the shareholders of the Company (the “Shareholders”) at an extraordinary general meeting to be convened (the “EGM”) pursuant to Rule 1015 of the Listing Manual; and

- (b) an interested person transaction as defined under Chapter 9 of the Listing Manual and will be subject to approval of the Shareholders at the EGM pursuant to Rule 906 of the Listing Manual.

Upon completion of the Proposed Acquisitions, the Target Companies will each be a wholly-owned direct or indirect subsidiary of the Company.

2. INFORMATION ON THE PROPOSED ACQUISITIONS AND MCC LOAN ASSIGNMENT

2.1 Overview of the Proposed Acquisitions

Target Company / Principal activities	Shareholding interest to be acquired by the Company	Vendor(s)	Remarks	Purchase consideration for the shareholding interest to be acquired	Method of settlement
BSB (i) Property investment holding KDPL (i) Property investment holding; and (ii) Property development	20.0% 20.0%	BS Investors	CPM currently owns 80.0% of BSB and KDPL. CPM is currently 12.5% owned by the Company. The BSB Sale Shares and KDPL Sale Shares will be transferred from BS Investors to CPM, such that upon completion of the BS and KD Acquisition, BSB and KDPL will be wholly owned subsidiaries of CPM.	S\$54,860,000.00	Allotment and issue of Shares
CPM (i) Property investment holding; (ii) Property development; and (iii) Property management	87.5%	BS Capital	The Company currently owns 12.5% of CPM. Upon completion of the CPM Acquisition, CPM will be a wholly-owned subsidiary of the Company.	S\$192,242,982.75	Allotment and issue of Shares
EHPI (i) Investment holding of commercial and industrial properties; and (ii) Management of commercial and industrial properties	49.0%	BS Capital	The Company currently owns 51.0% of EHPI. Upon completion of the EHPI Acquisition, EHPI will be a wholly-owned subsidiary of the Company.	S\$38,268,756.21	Allotment and issue of Shares
EPPL (i) Property holding	100.0%	Enviro-Power	The Company currently owns 39.0% of Enviro-Power and has an indirect interest of 39.0% in EPPL, which is a wholly-	S\$4,686,397.88	Offset in full against loans owing by Enviro-Power to the

			<p>owned subsidiary of Enviro-Power. As the Company has board and management control over Enviro-Power, Enviro-Power and EPPL are both classified as subsidiaries of the Company.</p> <p>The other shareholders of Enviro-Power are Low Xiu Li Elvelyn (2.5%), Huang Yuzhu (3.0%), Restorer Corp Pte Ltd (54.5%) and Ong Chee Kang (1.0%).</p> <p>The EPPL Sale Shares will be transferred from Enviro-Power to EHPI, such that upon completion of the EPPL Acquisition, EPPL will be a wholly owned subsidiary of EHPI.</p>		Company
<p>MCC</p> <p>(i) Development and operation of a marina; and</p> <p>(ii) Provision of recreational and other related services</p>	100.0%	<p>MIH (70.0%)</p> <p>QNY (30.0%)</p>	The MCC Sale Shares will be transferred from MIH and QNY to EHPI, such that upon completion of the MCC Acquisition, MCC will be a wholly owned subsidiary of EHPI.	S\$83,001.00	Allotment and issue of Shares

2.2 BS and KD Acquisition

2.2.1 Information on BSB

BSB is a private company limited by shares incorporated in Singapore on 6 February 2015 and is currently 80.0% held by CPM and 20.0% held by BS Investors. As at the date of this announcement, BSB has a total issued and paid-up ordinary share capital of S\$1,000,000 comprising 1,000,000 ordinary shares.

BSB is principally engaged in the business of property investment holding. As at the date of this announcement, BSB, through its 7 wholly-owned subsidiaries, currently holds the property located at 20 Bendeemer Road, Singapore 339914 (the “**Bendemeer Property**”) as tenants in common. The Bendemeer Property comprises 97 light industrial units and is held pursuant to a 99-year lease commencing from 1 March 1966.

The unaudited consolidated net tangible liabilities (“**NTL**”) of BSB and its subsidiaries as at 31 March 2015 was approximately S\$12,000, and the unaudited consolidated net loss after tax (“**NLAT**”) of BSB and its subsidiaries since incorporation to 31 March 2015 was approximately S\$12,000.

Based on the latest available valuation report dated 26 May 2015 commissioned by the Company (“**Bendemeer Property Valuation Report**”), the open market value of the Bendemeer Property as at 26 May 2015 is S\$89.5 million.

2.2.2 Information on KDPL

KDPL is a private company limited by shares incorporated in Singapore on 19 July 2012. As at the date of this announcement, KDPL has a total issued and paid-up ordinary share capital of S\$1,000,000 comprising 1,000,000 ordinary shares, and a total issued and paid-up preference share capital of S\$11,111.20 comprising 111,112 preference shares. The ordinary share capital of KDPL is currently 80.0% held by CPM and 20.0% held by BS Investors, and the preference share capital of KDPL is currently 100.0% held by CPM.

KDPL is principally engaged in the business of property investment holding and property development. KDPL is currently engaged in the development of a seven storey ramp-up multiple-user general industrial building at 60 Jalan Lam Huat, Singapore 737869 known as “Carros Centre” (the “**Carros Property**”). The Carros Property will comprise 383 freehold strata units of warehouse and factory units and other ancillary facilities within a general industrial development. The development of the Carros Property is expected to be completed by 31 March 2017.

The audited net tangible assets (“**NTA**”) of KDPL as at 31 December 2014 was approximately S\$173.7 million and the audited net profit after tax (“**NPAT**”) of KDPL for the financial year ended 31 December 2014 (“**FY2014**”) was approximately S\$57.2 million.

Based on the latest available valuation report dated 30 April 2015 commissioned by the Company (“**Carros Property Valuation Report**”), the market value of the Carros Property as at 30 April 2015 (based on the gross development value of the total strata floor area of 103,296 sq m) is S\$830.0 million.

2.2.3 Information on BS Investors

BS Investors is a private company incorporated in Singapore on 18 July 2012 and is principally engaged in the business of property investment holding. As at the date of this announcement, BS Investors has a total issued and paid-up ordinary share capital of S\$20 comprising 20 ordinary shares.

Mr. Lai Huen Poh, a Non-Executive Director of the Company, currently holds 50.0% of the total issued share capital of VA Development Pte. Ltd. (“**VA Development**”) which in turn holds 50.0% of the total issued share capital of BS Investors. The remaining shareholding interests in VA Development and BS Investors are held by parties unrelated to the Group.

2.2.4 Key Terms of the BS and KD Acquisition

2.2.4.1 Consideration

The aggregate consideration for the BS and KD Acquisition is S\$54,860,000.00 (“**BS and KD Consideration**”), to be wholly satisfied by the allotment and issuance by the Company of 548,600,000 new Shares (“**BS and KD Consideration Shares**”), credited as fully paid-up, at the Issue Price for each BS and KD Consideration Share, in the following proportion:

- (a) 123,750,000 of the BS and KD Consideration Shares shall be issued and allotted to Mr. Lai Huen Poh, who holds 50.0% of the total issued share capital of VA Development, which in turn is the legal and beneficial owner of 50.0% of the total issued and paid-up ordinary share capital of BS Investors;
- (b) 123,750,000 of the BS and KD Consideration Shares shall be issued and allotted to Mr. Lim Soo Kong, who holds 50.0% of the total issued share capital of VA Development, which in turn is the legal and beneficial owner of 50.0% of the total issued and paid-up ordinary share capital of BS Investors;
- (c) 123,750,000 of the BS and KD Consideration Shares shall be issued and allotted to Wason Private Limited, being the legal and beneficial owner of 25.0% of the total issued and paid-up ordinary share capital of BS Investors;
- (d) 123,750,000 of the BS and KD Consideration Shares shall be issued and allotted to Chew

Ghim Bok, being the legal and beneficial owner of 25.0% of the total issued and paid-up ordinary share capital of BS Investors; and

- (e) 53,600,000 of the BS and KD Consideration Shares shall be issued and allotted to BS Investors and/or its Designated Holder(s).

The BS Sale Shares and KD Sale Shares will be transferred from BS Investors to CPM, such that upon completion of the BS and KD Acquisition, BSB and KDPL will be wholly owned subsidiaries of CPM.

For illustrative purposes only, the BS and KD Consideration Shares represent approximately 53.4%³ of the Existing Share Capital of the Company and approximately 13.9%⁴ of the Enlarged Share Capital of the Company.

The BS and KD Consideration was determined at arm's length and on a willing-buyer willing-seller basis, after taking into account the following:

- (a) the valuation of the Bendemeer Property of S\$89.5 million, based on the Bendemeer Property Valuation Report;
- (b) the gross development value of the Carros Property of approximately S\$830.0 million, based on the Carros Property Valuation Report;
- (c) the total estimated development cost for the Carros Property (including costs directly attributable to the acquisition of the Carros Property);
- (d) the fact that the acquisition of the Bendemeer Property is substantially funded by debt;
- (e) the net asset value of BSB and its subsidiaries as at 31 March 2015 and the net asset value of KDPL as at 31 December 2014;
- (f) the agreement by the Company to assume the existing aggregate loan of S\$1,000,000 owing from BS Investors and CPM to KDPL (the "**Novated Loan**"); and
- (g) benefits arising from the Proposed Acquisitions as set out in paragraph 2.12 of this announcement.

2.3 CPM Acquisition

2.3.1 Information on CPM

CPM is a private company limited by shares incorporated in Singapore on 24 July 2012 and is currently 12.5% held by the Company and 87.5% held by BS Capital. As at the date of this announcement, CPM has a total issued and paid-up ordinary share capital of S\$1,000 comprising 1,000 ordinary shares.

CPM is principally engaged in the business of property investment holding, property development and property management. CPM currently holds, *inter alia*:

- (a) 80.0% of the ordinary share capital and 100.0% of the preference share capital of KDPL, which in turn holds the Carros Property. Please refer to paragraph 2.2.2 above for further details on KDPL and the Carros Property; and
- (b) 80.0% of the total issued share capital of BSB, which in turn, through its 7 wholly-owned

³ Calculated on the basis of 1,026,650,198 existing Shares in the share capital of the Company as at the date of this announcement.

⁴ Calculated on the basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming the completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to completion of the Proposed Share Consolidation.

subsidiaries, holds the Bendemeer Property. Please refer to paragraph 2.2.1 above for further details on BSB and the Bendemeer Property.

The audited consolidated NTA of CPM and its subsidiary (KDPL) as at 31 December 2014 was approximately S\$172.9 million and the audited consolidated NPAT of CPM and KDPL for FY2014 was approximately S\$57.2 million. The unaudited consolidated NTL of BSB (being a subsidiary of CPM from BSB's date of incorporation on 6 February 2015) and its subsidiaries as at 31 March 2015 was approximately S\$12,000, and the unaudited consolidated NLAT of BSB and its subsidiaries since incorporation to 31 March 2015 was approximately S\$12,000.

Upon completion of the CPM Acquisition, CPM will be a wholly-owned subsidiary of the Company.

2.3.2 Information on BS Capital

BS Capital is a private company incorporated in Singapore on 8 November 2003 and is principally engaged in real estate activities and in providing services as general contractor for building construction works. As at the date of this announcement, BS Capital has a total issued and paid-up ordinary share capital of S\$200,000 comprising 200,000 ordinary shares.

Mr. Raymond Ng Ah Hua, a controlling Shareholder and the Executive Chairman of the Company, is currently the sole shareholder and a director of BS Capital.

2.3.3 Key Terms of the CPM Acquisition

2.3.3.1 Consideration

The aggregate consideration for the CPM Acquisition is S\$192,242,982.75 ("**CPM Consideration**"), to be wholly satisfied by the allotment and issuance by the Company of 1,922,429,828 new Shares ("**CPM Consideration Shares**"), credited as fully paid-up, at the Issue Price for each CPM Consideration Share, to BS Capital and/or its Designated Holder(s).

For illustrative purposes only, the CPM Consideration Shares represent approximately 187.3%⁵ of the Existing Share Capital of the Company and approximately 48.7%⁶ of the Enlarged Share Capital of the Company.

The CPM Consideration was determined at arm's length and on a willing-buyer willing-seller basis, after taking into account the following:

- (a) the net asset value of CPM and KDPL as at 31 December 2014 and the net asset value of BSB and its subsidiaries as at 31 March 2015;
- (b) the valuation of the Bendemeer Property of S\$89.5 million, based on the Bendemeer Property Valuation Report;
- (c) the gross development value of the Carros Property of approximately S\$830.0 million, based on the Carros Property Valuation Report;
- (d) the total estimated development cost for the Carros Property, (including costs directly attributable to the acquisition of the Carros Property);
- (e) the fact that the acquisition of the Bendemeer Property is substantially funded by debt;
- (f) the Novated Loan; and
- (g) the benefits arising from the Proposed Acquisitions as set out in paragraph 2.12 of this

⁵ Calculated on the basis of 1,026,650,198 existing Shares in the share capital of the Company as at the date of this announcement.

⁶ Calculated on the basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming the completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to completion of the Proposed Share Consolidation.

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2.4 EHPI Acquisition

2.4.1 Information on EHPI

EHPI is a private company limited by shares incorporated in Singapore on 31 May 2013 and is currently 51.0% held by the Company and 49.0% held by BS Capital. As at the date of this announcement, EHPI has a total issued and paid-up ordinary share capital of S\$1,000,000 comprising 1,000,000 ordinary shares.

EHPI is principally engaged in the business of investment holding of commercial and industrial properties, and management of commercial and industrial properties. EHPI currently holds, *inter alia*:

- (a) 100.0% of the total issued share capital of F2S1 Investment Pte. Ltd., which in turn holds and manages "PoMo" (the "**PoMo Property**"). The PoMo Property is a shopping mall cum office building located at 1 Selegie Road, Singapore 188306 and is held pursuant to a 99-year lease commencing from 17 March 1983. The PoMo Property is currently being leased out to retail and office tenants. Based on the latest available valuation report dated 18 June 2015 commissioned by the Company (the "**PoMo Valuation Report**"), the open market value of the PoMo Property as at 30 April 2015 is S\$362.0 million;
- (b) 100.0% of the total issued share capital of QF Properties Pte. Ltd., which in turn, through its 6 wholly-owned subsidiaries, holds 93 freehold strata units in the Lam Soon Industrial Building (the "**LS Properties**"). Lam Soon Industrial Building is a freehold 10-storey light industrial strata-titled development comprising 154 strata warehouses and light industrial factory units located at 63 Hillview Avenue Singapore 669569. The LS Properties are currently being leased out to retail warehouse and office tenants. Based on the latest available valuation reports dated 18 June 2015 commissioned by the Company ("**LS Properties Valuation Reports**"), the aggregate open market value of the LS Properties as at 30 April 2015 is S\$189.9 million; and
- (c) 100.0% of the total issued share capital of EH Property Management Pte. Ltd., which currently provides commercial and industrial real estate management services for the PoMo Property and LS Properties.

The audited consolidated NTA of EHPI and its subsidiaries as at 31 December 2014 was approximately S\$78.4 million, and the audited consolidated NPAT of EHPI and its subsidiaries for FY2014 was approximately S\$54.9 million⁷.

Upon completion of the EHPI Acquisition, EHPI will be a wholly-owned subsidiary of the Company.

2.4.2 Information on BS Capital

Please refer to paragraph 2.3.2 above where the details on BS Capital are set out.

2.4.3 Key Terms of the EHPI Acquisition

2.4.3.1 Consideration

The aggregate consideration for the EHPI Acquisition is S\$38,268,756.21 ("**EHPI Consideration**"), to be wholly satisfied by the allotment and issuance by the Company of 382,687,562 new Shares ("**EHPI Consideration Shares**"), credited as fully paid-up, at the Issue Price for each EHPI Consideration Share, to BS Capital and/or its Designated Holder(s).

⁷ Subsequent to FY2014, and as disclosed in the Company's announcement dated 10 April 2015, the disposal of QF 10 Pte. Ltd. ("**QF10**"), a wholly-owned indirect subsidiary of EHPI, was completed on 10 April 2015. The audited NTA of QF10 as at 31 December 2014 was approximately S\$1.9 million and the audited NPAT of QF10 for FY2014 was approximately S\$1.2 million.

For illustrative purposes only, the EHPI Consideration Shares represent approximately 37.3%⁸ of the Existing Share Capital of the Company and approximately 9.7%⁹ of the Enlarged Share Capital of the Company.

The EHPI Consideration was determined at arm's length and on a willing-buyer willing-seller basis, after taking into account the following:

- (a) the net asset value of EHPI and its subsidiaries as at 31 December 2014;
- (b) the valuation of the PoMo Property of approximately S\$362.0 million, based on the PoMo Valuation Report;
- (c) the valuation of the LS Properties of approximately S\$189.9 million, based on the LS Properties Valuation Reports; and
- (d) the benefits arising from the Proposed Acquisitions as set out in paragraph 2.12 of this announcement.

2.4.3.2 Adjustment of the EHPI Consideration: Difference between sale price of any LS Property unit and its fair value

The parties undertake that in the event EHPI enters into a legally binding agreement for the disposal of any LS Property unit prior to completion, the Difference or Surplus (as defined below, as the case may be) shall be paid as follows:

- (a) If the sale price of the relevant LS Property unit(s) sold is less than its/their fair value as at 30 April 2015 as determined in the LS Properties Valuation Reports, BS Capital shall pay such shortfall in proportion to the Company's existing shareholding interest in EHPI as at the date of the EHPI SPA (the "**Difference**") to the Company by novating a portion of the outstanding shareholder's loan owing from EHPI to BS Capital equivalent to the Difference to the Company on the completion date or within 7 business days from the disposal of the relevant LS Property Unit(s), whichever is later; or
- (b) if the sale price of the relevant LS Property unit(s) sold is more than its/their fair value as determined by the LS Properties Valuation Report, the Company shall pay such surplus of proceeds after the deduction of all incidental expenses in relation to the sale of such LS Property unit(s) in proportion to BS Capital's shareholding interest in EHPI as at the date of the EHPI SPA (the "**Surplus**") to BS Capital in cash on the completion date or within 7 business days from the date of completion of the disposal of the relevant LS Property unit(s), whichever is later.

2.5 EPPL Acquisition

2.5.1 Information on EPPL

EPPL is a private company limited by shares incorporated in Singapore on 20 May 2011 and is currently a wholly-owned subsidiary of Enviro-Power. As at the date of this announcement, EPPL has a total issued and paid-up ordinary share capital of S\$3,000,000 comprising 30,000 ordinary shares.

EPPL is principally engaged in property holding. EPPL currently holds the property located at 99 Tuas Bay Drive, Singapore 637426 ("**99 Tuas Bay**"). 99 Tuas Bay is held pursuant to a 29-year and 3 months lease commencing from 9 May 2006. It comprises 2 blocks of single storey industrial buildings and 1 block of office building and is currently being rented by the Group mainly for use as operation premises for the Group's recycling business.

⁸ Calculated on the basis of 1,026,650,198 existing Shares in the share capital of the Company as at the date of this announcement.

⁹ Calculated on the basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming the completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to completion of the Proposed Share Consolidation.

Based on the latest available valuation report dated 18 June 2015 commissioned by the Company ("**99 Tuas Bay Valuation Report**"), the open market value of 99 Tuas Bay as at 30 April 2015 is S\$17.0 million.

The audited NTL of EPPL as at 31 December 2014 was approximately S\$1.4 million, and the audited NLAT of EPPL for FY2014 was approximately S\$0.1 million.

The EPPL Sale Shares will be transferred from Enviro-Power to EHPI, such that upon completion of the EPPL Acquisition, EPPL will be a wholly owned subsidiary of EHPI.

2.5.2 Information on Enviro-Power

Enviro-Power is a private company incorporated in Singapore on 3 December 2007 and is principally engaged in the business of converting plastics to fuel and investment holding. As at the date of this announcement, Enviro-Power has a total issued and paid-up ordinary share capital of S\$32,700,000 comprising 10,000,000 ordinary shares.

The Company currently holds 39.0% of Enviro-Power, but it is deemed a subsidiary of the Company under the Companies Act (Chapter 50) of Singapore ("**Companies Act**") by virtue of the Company having board and management control in Enviro-Power. The other shareholders of Enviro-Power are Low Xiu Li Elvelyn (2.5%), Huang Yuzhu (3.0%), Restorer Corp Pte. Ltd. ("**Restorer Corp**") (54.5%) and Ong Chee Kang (1.0%). Save for Restorer Corp which is currently 89.0% owned by Mr. Su Ming Tong, a substantial Shareholder of the Company, and 10.0% owned by Mr. Raymond Ng Ah Hua, a controlling Shareholder and the Executive Chairman of the Company, the other shareholders of Enviro-Power and Restorer Corp are parties unrelated to the Group.

2.5.3 Key Terms of the EPPL Acquisition

2.5.3.1 Consideration

The aggregate consideration for the EPPL Acquisition is S\$4,686,397.88 ("**EPPL Consideration**"), to be wholly satisfied upon completion by way of set-off against part of an existing outstanding shareholder's loan owing from Enviro-Power to the Company ("**EP Outstanding Loan**"), and such set-off shall constitute, *inter alia*, (i) the full and final settlement of the EP Outstanding Loan to the extent of the EPPL Consideration and (ii) the full discharge and release of the Company's obligations to pay the EPPL Consideration and/or to issue any consideration shares to Enviro-Power (the "**EPPL Set-off Arrangement**"). For the avoidance of doubt, the remaining sum of the EP Outstanding Loan after setting-off the EPPL Consideration at completion shall remain owing from Enviro-Power to the Company on its existing terms and conditions.

The EPPL Consideration was determined at arm's length and on a willing-buyer willing-seller basis, after taking into account the following:

- (a) the net asset value of EPPL as at 31 December 2014;
- (b) the valuation of 99 Tuas Bay of approximately S\$17.0 million, based on the 99 Tuas Bay Valuation Report; and
- (c) the benefits arising from the Proposed Acquisitions as set out in paragraph 2.12 of this announcement.

2.6 MCC Acquisition

2.6.1 Information on MCC

MCC is a private company limited by shares incorporated in Singapore on 2 January 2003 and is currently 70.0% held by MIH and 30.0% held by QNY. As at the date of this announcement, MCC has a total issued and paid-up ordinary share capital of S\$1,512,000 comprising 1,512,000 ordinary

shares.

MCC is principally engaged in the development and operation of a marina, and the provision of recreational and other related services. MCC currently holds and operates “Marina Country Club”, a leasehold property located at 600 Ponggol Seventeenth Avenue, Singapore 829734 (“**MCC Property**”). The MCC Property is held pursuant to a 30-year lease commencing from 2 July 1994.

Based on the latest available valuation report dated 21 May 2015 commissioned by the Company (“**MCC Valuation Report**”), the open market value of the MCC Property as at 30 April 2015 is S\$18.5 million.

The audited NTL of MCC as at 31 December 2014 was approximately S\$13.4 million and the audited NPAT of MCC for FY2014 was approximately S\$1.1 million.

The MCC Sale Shares will be transferred from MIH and QNY to EHPI, such that upon completion of the MCC Acquisition, MCC will be a wholly owned subsidiary of EHPI.

2.6.2 Information on MIH and QNY

MIH is a private company incorporated in Singapore on 18 July 2003 and is principally engaged in the business of property investment holding. As at the date of this announcement, MIH has a total issued and paid-up ordinary share capital of S\$2 comprising 2 ordinary shares. As at the date of this announcement, Mr. Raymond Ng Ah Hua, a controlling Shareholder and the Executive Chairman of the Company, and his spouse, Mdm. Ng Sok Eng, together hold 100.0% of the total issued share capital of BS Fund Management Pte. Ltd. (“**BS Fund Management**”) which in turn holds 100.0% of the total issued share capital of MIH.

QNY is a businessman and a minority investor in MCC who is unrelated to the Group. QNY is a director of MCC.

2.6.3 Key Terms of the MCC Acquisition and MCC Loan Assignment

2.6.3.1 Consideration

The aggregate consideration for the MCC Acquisition is S\$83,001.00 (“**MCC Consideration**”), to be wholly satisfied by the allotment and issuance by the Company of 830,010 new Shares (“**MCC Consideration Shares**”), credited as fully paid-up, at the Issue Price for each MCC Consideration Share. The aggregate consideration for the MCC Loan Assignment is equivalent to the MCC Assigned Shareholders’ Loan of S\$6,600,000, to be wholly satisfied by the allotment and issuance by the Company of 66,000,000 new Shares (“**Loan Assignment Shares**”), credited as fully paid-up, at the Issue Price for each Loan Assignment Share. The MCC Consideration Shares and the Loan Assignment Shares will be allotted and issued to MIH, QNY and/or their Designated Holder(s), in the following proportion:

Vendor	Consideration for the MCC Sale Shares (S\$)	Number of MCC Consideration Shares	Consideration for the MCC Assigned Shareholders’ Loans (S\$)	Number of Loan Assignment Shares
MIH	58,100.70	581,007	3,355,380.51	33,553,805
QNY	24,900.30	249,003	3,244,619.49	32,446,195
Total	83,001.00	830,010	6,600,000.00	66,000,000

For illustrative purposes only, the MCC Consideration Shares and Loan Assignment Shares represent approximately 6.5%¹⁰ of the Existing Share Capital of the Company and approximately 1.7%¹¹ of the

¹⁰ Calculated on the basis of 1,026,650,198 existing Shares in the share capital of the Company as at the date of this announcement.

¹¹ Calculated on the basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming the completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to completion of the Proposed Share Consolidation.

Enlarged Share Capital of the Company.

The MCC Consideration was determined at arm's length and on a willing-buyer willing-seller basis, after taking into account the following:

- (a) the net asset value of MCC as at 31 December 2014;
- (b) the valuation of the MCC Property of approximately S\$18.5 million, based on the MCC Valuation Report;
- (c) the value of the MCC Assigned Shareholders' Loans, based on a dollar for dollar basis; and
- (d) the benefits arising from the Proposed Acquisitions as set out in paragraph 2.12 of this announcement.

2.7 Other Agreements contemplated under the Acquisition SPAs

2.7.1 Management Services Agreement

In connection with the BS and KD Acquisition, KDPL and BS Capital shall enter into a management services agreement for, *inter alia*, the provision of project management services by BS Capital in relation to the construction of the Carros Property (the "**Management Services Agreement**"). The Management Services Agreement is to replace the existing project management services agreement between CPM and KDPL.

2.7.2 Put Option for Units in Carros Property

In connection with the CPM Acquisition, Mr. Raymond Ng Ah Hua has entered into a put option agreement with the Company, KDPL and BS Capital dated 21 July 2015, granting the Company the right to, at any time during the period from the date of Completion to 30 September 2016, require Mr. Raymond Ng Ah Hua and/or his nominee to complete the purchase of such number of units in the Carros Property at S\$750 per square foot, up to an aggregate value of S\$25 million, within 180 days of the exercise of such put option (the "**Put Option**").

Where such units in the Carros Property are purchased by Mr. Raymond Ng Ah Hua and/or his nominee prior to the completion of the CPM Acquisition, such units will be regarded as having been purchased pursuant to the Put Option.

The Put Option is intended to improve the cash flow of KDPL through the sales of additional units in Carros Property. The sales of additional units in Carros Property would also enable KDPL to continue to secure funding for the construction of the Carros Property.

The Audit Committee of the Company noted that Mr. Raymond Ng Ah Hua has executed a Deed of Undertaking in favour of the Company (the "**Non-Compete Undertaking**") dated 29 August 2013, under which Mr. Raymond Ng Ah Hua has undertaken, *inter alia*, to not, and to procure that his associates will not, directly or indirectly, whether on his own or with any other party in any capacity whatsoever, be involved, engaged or interested in any Restricted Business (comprising (i) developing or investing in commercial or industrial properties, whether in Singapore or elsewhere; or (ii) providing property management services to third parties, whether in Singapore or elsewhere) in competition with the Group.

In view of the rationale for the Put Option set out above, the Company will be waiving its rights under the Non-Compete Undertaking in connection with such purchase of units in Carros Property by Mr. Raymond Ng Ah Hua and/or his nominees.

2.8 Condition Precedents

The completion of the Proposed Acquisitions and the MCC Loan Assignment is conditional upon, *inter alia*, the following:

- (a) all required consents shall have been obtained without any restriction or limitation which is unacceptable to the Company (in the Company's reasonable opinion), and be in full force and effect, in particular, and without limitation:
- (i) the approval of the Company's shareholders at a general meeting and its board of directors (as appropriate) in respect of:
 - (1) the acquisition by the Company of the Sale Shares on the terms and conditions set out in the respective Acquisition SPA and all transactions contemplated thereby;
 - (2) the issue of the Acquisition Consideration Shares to the Vendors and/or their designated holders in full satisfaction of the Acquisition Consideration and the issue of the Loan Assignment Shares to MIH and QNY for the MCC Loan Assignment; and
 - (3) the interested person transactions under Chapter 9 of the Listing Manual relating to the transactions contemplated under the Acquisition SPAs.
 - (ii) the receipt and non-withdrawal of the approval of the SGX-ST (the "**SGX Approval**") for the Proposed Acquisitions and MCC Loan Assignment, and any conditions attached to the SGX Approval which are required to be fulfilled on or before completion having been fulfilled on or before completion to the satisfaction of the SGX-ST or otherwise waived by the SGX-ST;
 - (iii) the receipt and non-withdrawal of the approval-in-principle (the "**Listing Approval**") of the SGX-ST for, *inter alia*, the listing and quotation of the Acquisition Consideration Shares and MCC Loan Assignment Shares on the Mainboard of the SGX-ST, and any conditions attached to the Listing Approval which are required to be fulfilled on or before completion having been fulfilled on or before completion to the satisfaction of the SGX-ST or otherwise waived by the SGX-ST;
 - (iv) the receipt and non-withdrawal of the approval of the SIC granted to Mr. Raymond Ng Ah Hua and his concert parties (the "**SIC Approval**") to dispense with the requirements of Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**") to make an offer to the shareholders of the Company arising from the allotment and issue of Shares to Mr. Raymond Ng Ah Hua and/or his concert parties and/or their designated holders in connection with the CPM Acquisition, EHPI Acquisition, MCC Acquisition and MCC Loan Assignment, and any conditions set out in the SIC Approval which are required to be fulfilled on or before completion having been fulfilled on or before completion to the satisfaction of the SIC or otherwise waived by the SIC;
 - (v) the approval of independent shareholders of the Company to waive their rights to receive a general offer from Mr. Raymond Ng Ah Hua and his concert parties in connection with the CPM Acquisition, EHPI Acquisition, MCC Acquisition and MCC Loan Assignment (the "**Whitewash Resolution**");
 - (vi) the written approval of the respective existing mortgagee(s) of the Bendemeer Property, the Carros Property, the PoMo Property, the LS Properties, 99 Tuas Bay and the MCC Property in order to give full effect to the transactions contemplated under the Acquisition SPAs;
- (b) the simultaneous completion of the BS and KD Acquisition, CPM Acquisition and EHPI Acquisition;
- (c) an IFA to the independent directors of the Company is appointed by the Company and the IFA is of the opinion that:
- (i) the BS and KD Acquisition, CPM Acquisition, EHPI Acquisition, MCC Acquisition,

MCC Loan Assignment, and any other contemplated interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders, in compliance with Chapter 9 of the Listing Manual; and

- (ii) the Whitewash Resolution is not prejudicial to the interests of the Company and its independent shareholders;
- (d) except where specifically waived by the Company, the deed of undertaking dated 29 August 2013 executed by Mr. Raymond Ng Ah Hua in favour of the Company in relation to certain non-competition undertakings by Mr. Raymond Ng Ah Hua remaining in full force and effect as at completion;
- (e) (if required under the applicable law (including the Listing Manual) and/or by the SGX-ST) the execution of a deed of undertaking by each of BS Capital, MIH, Mr. Lai Huen Poh and/or their designated holders in favour of the Company and its financial adviser(s) in connection with the relevant Proposed Acquisition and MCC Loan Assignment, undertaking not to directly or indirectly offer, pledge, sell, contract to sell, sell any option or contract to purchase, grant any option, right or warrant to purchase, lend, enter into any contract that will directly or indirectly constitute or will be deemed as a disposal or realisation of, hypothecate or encumber or otherwise transfer or dispose of, directly or indirectly, any part of his/its interest in the issued share capital of the Company for a period of six (6) months commencing from the completion date (or such other period as may be required by the SGX-ST) (the “**Moratorium Undertakings**”), save where BS Capital and MIH and/or their designated holders are required by any bank of the relevant Target Company to pledge, charge and/or otherwise encumber any part of their interests in the issued share capital of the Company in order to fulfil any conditions imposed by such bank of the relevant Target Company in relation to the extension of credit facilities to the relevant Target Company, provided that such bank undertakes not to enforce any pledge, charge and/or encumbrance over the relevant Vendor’s interests in the share capital of the Company during the moratorium period;
- (f) in relation to the BS and KD Acquisition, the execution of the Management Services Agreement;
- (g) in relation to the CPM Acquisition, the execution of the Put Option; and
- (h) In relation to the MCC Acquisition, the completion of the transfer of each of EEE Asia Chemical Pte. Ltd., Long Quan Investment Pte. Ltd., DRS Enterprise Pte. Ltd., QNY Enterprise Pte. Ltd., Fortunity Pte. Ltd. and MIH Investment Pte. Ltd., by MCC to MIH (or such other person or entity as MIH and QNY may determine), such that at Completion, (i) MCC shall not own any interest, direct or indirect, in any subsidiary or associated undertakings or any other entity or person, and (ii) all outstanding amounts (including any accrued interest) owing from each of EEE Asia Chemical Pte. Ltd., Long Quan Investment Pte. Ltd., DRS Enterprise Pte. Ltd., QNY Enterprise Pte. Ltd., Fortunity Pte. Ltd. and MIH Investment Pte. Ltd. (if any) to MCC have been fully repaid.

In the event that any of the conditions in the Acquisition SPAs is not fulfilled or waived by the Company on or prior to 31 October 2015 (or such other date as the parties may mutually agree in writing) (the “**Long-Stop Date**”), the Acquisition SPAs shall *ipso facto* terminate with effect from the Long-Stop Date (or such other date as the parties have mutually determined in writing) on the terms and conditions set out therein.

2.9 Shareholders’ Loans

As at 31 December 2014, the amounts owing by the Target Companies to their respective Vendors (the “**Outstanding Shareholders’ Loans**”) amounted to S\$110.6 million. Under the terms of the MCC Loan Assignment, S\$6.6 million of the Outstanding Shareholders’ Loans will be assigned to the Company and settled through the allotment and issue of Loan Assignment Shares and the balance of S\$104.0 million will be retained as follows:

Target Company	Total Outstanding Shareholders' Loans retained (\$'million)	Interest rate on Outstanding Shareholders' Loans (% per annum) and repayment schedule / method	Owed to
MCC	3.3	2.0% per annum. Any loan repayment and/or loan repayment schedule shall be mutually agreed by the Company, MCC, MIH and QNY ⁽¹⁾ .	MIH (\$\$1.7 million) QNY (\$\$1.6 million)
KDPL	15.9	2.0% per annum. Loans to be repaid within one year from the date of issuance of the Temporary Occupation Permit or Certificate of Statutory Completion for the Carros Property, whichever is later (the "Repayment Period") ⁽²⁾ .	BS Investors
CPM	39.1	2.0% per annum. Loans to be repaid during the Repayment Period ⁽³⁾ .	BS Capital
EHPI	45.7	2.0% per annum. Any loan repayment and/or loan repayment schedule shall be mutually agreed by the Company, EHPI and BS Capital ⁽¹⁾ .	BS Capital
Total	104.0		

Notes:

- (1) Any loan repayment and/or loan repayment schedule shall be mutually agreed by the Company, the relevant Target Company and the relevant Vendor, and in this respect the Directors of the Company who are deemed independent in respect of the shareholders' loans, shall take into account the financial position, cash flow requirements and any other factors that may potentially affect the financial position or cash flow of the relevant Target Company.
- (2) BS Investors shall not demand for the repayment of all or any part of the outstanding shareholders' loan and any accrued interest owing to it at any time prior to the expiry of the Repayment Period, except to the extent of the agreed interest payments.
- (3) BS Capital shall not demand for the repayment of all or any part of the outstanding shareholders' loan and any accrued interest owing to it at any time prior to the expiry of the Repayment Period, except to the extent of the agreed interest payments and the Put Option. Pursuant to the terms of the Put Option, if the Company exercises the Put Option, the Company undertakes to procure the repayment of such amount of shareholders' loans owing to Mr. Raymond Ng Ah Hua and BS Capital amounting to 30.0% of the aggregate purchase consideration in respect of all Carros Property units purchased by Mr. Raymond Ng Ah Hua and/or his nominees between the date of the Put Option and 30 September 2016 (both dates inclusive).

2.10 Termination

Without prejudice to all other rights and remedies available at any time to each party, each party shall be entitled by notice in writing to the other party prior to completion to terminate and to treat the other party as having repudiated the Acquisition SPA in the event of any falsehood or breach of any of the other party's representations, warranties or undertakings under the Acquisition SPA, on the terms and conditions set out in the Acquisition SPA.

2.11 Completion and Long Stop Date

The completion of the Proposed Acquisitions and MCC Loan Assignment shall take place on the date falling seven (7) Business Days after the date on which the conditions precedent to the Acquisition SPAs have been fulfilled or waived, whichever is the earlier, or such other date as the parties may mutually agree in writing (the "**Completion Date**"), but in any event, being not later than the Long-Stop Date.

2.12 Rationale for and benefits of the Proposed Acquisitions

On 13 September 2013, the Company had obtained approval from its Shareholders to expand its core business to include property development, management and investment (the "**Property Business**"). The Company currently owns 12.5% and 51.0% of the total issued share capital of CPM and EHPI respectively. The Board believes that the acquisition of the remaining shareholding in CPM and EHPI,

the BS and KD Acquisition, the EPPL Acquisition and the MCC Acquisition, are in line with its strategic plans to grow the Property Business through expansion of the Group's portfolio of investment properties and development properties, and that this would share strong synergies with its construction business, provide impetus for future growth, as well as expand the Group's revenue base.

2.13 Shareholding before and after the Proposed Acquisitions and MCC Loan Assignment

As at the date of this announcement, the interests of directors, substantial Shareholders and other Shareholders of the Company before the Proposed Acquisitions and MCC Loan Assignment and their indicative shareholding interests after the Proposed Acquisitions and MCC Loan Assignment, are set out as follows:

Shareholder	Before the Proposed Acquisitions and MCC Loan Assignment ⁽¹⁾				After the Proposed Acquisitions and MCC Loan Assignment ⁽¹⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Directors								
Mr. Raymond Ng Ah Hua ⁽²⁾⁽³⁾⁽⁴⁾	396,518	38.6	5,480	0.5	396,518	10.0	2,344,732	59.4
Mr. Lai Huen Poh ⁽⁵⁾⁽⁶⁾	2,412	0.2	719	0.1	126,162	3.2	54,319	1.4
Mr. Tan Kok Hiang	1,667	0.2	-	-	1,667	0.0 ⁽¹⁰⁾	-	-
Mr. Tan Gim Soo	-	-	-	-	-	-	-	-
Mr. Samuel Poon Hon Thang	373	0.0 ⁽¹⁰⁾	-	-	373	0.0 ⁽¹⁰⁾	-	-
Ms. Judy Ang Siew Geok	300	0.0 ⁽¹⁰⁾	-	-	300	0.0 ⁽¹⁰⁾	-	-
Other Shareholders								
Ms. Seow Bao Shuen	147,838	14.4	-	-	147,838	3.7	-	-
Mr. Su Ming Tong ⁽⁷⁾	54,394	5.3	2,201	0.2	54,394	1.4	2,201	0.1
Mdm. Ng Sok Moy ⁽⁷⁾	2,201	0.2	-	-	2,201	0.1	-	-
Mdm. Vivien Heng Cheng Sim ⁽⁵⁾	719	0.1	-	-	719	0.0 ⁽¹⁰⁾	-	-
Mdm. Ng Sok Eng ⁽²⁾⁽³⁾	5,480	0.5	-	-	5,480	0.1	-	-
MIH ⁽³⁾	-	-	-	-	34,135	0.9	-	-
BS Capital ⁽⁴⁾	-	-	-	-	2,305,117	58.4	-	-
BS Investors ^{(6) (8)}	-	-	-	-	53,600	1.4	-	-
Mr. Chew Ghim Bok ⁽⁸⁾	32,238	3.1	-	-	155,988	4.0	53,600	1.4
Other non-public Shareholders	3,114	0.3	-	-	35,809	0.9	-	-
Other public Shareholders	379,395	37.0			626,895	15.9		
Total	1,026,650	100.0			3,947,198	100.0		
Public	411,633	40.1			831,328⁽⁹⁾	21.1		

Notes:

- (1) On a pre-consolidated basis and based on the Issue Price of S\$0.10 for the new Shares to be issued pursuant to the Proposed Acquisitions and MCC Loan Assignment.
- (2) Mr. Raymond Ng Ah Hua is deemed to be interested in the Shares held by his spouse, Mdm. Ng Sok Eng.
- (3) Mr. Raymond Ng Ah Hua and his spouse, Mdm. Ng Sok Eng, hold 100.0% of the total issued share capital of BS Fund Management, which in turn holds 100.0% of the total issued share capital of MIH. Accordingly, they are deemed interest in the Shares held by MIH by virtue of Section 7 of the Companies Act.
- (4) Mr. Raymond Ng Ah Hua holds 100.0% of the total issued share capital of BS Capital. Accordingly, he is deemed interested in the Shares held by BS Capital by virtue of Section 7 of the Companies Act.
- (5) Mr. Lai Huen Poh is deemed to be interested in the Shares held by his spouse, Mdm. Vivien Heng Cheng Sim.
- (6) Mr. Lai Huen Poh holds 50.0% of the total issued share capital of VA Development, which in turn holds 50.0% of the total issued share capital of BS Investors. By virtue of Section 7 of the Companies Act, Mr. Lai Huen Poh is deemed interested in the Shares held by BS Investors.
- (7) Mr. Su Ming Tong is deemed to be interested in the Shares held by his spouse, Mdm. Ng Sok Moy.
- (8) Mr. Chew Ghim Bok holds 25.0% of the total issued share capital of BS Investors. By virtue of Section 7 of the Companies Act, Mr. Chew Ghim Bok is deemed interested in the Shares held by BS Investors.

- (9) Upon completion of the Proposed Acquisitions and MCC Loan Assignment, Ms. Seow Bao Shuen, Mr. Su Ming Tong and his spouse, Mdm. Ng Sok Moy, will no longer be considered substantial Shareholders of the Company. As such, the Shares held by them will be part of the public float.
- (10) Less than 0.1%.
- (11) Any discrepancies in the table above between the sum of the listed amounts and the totals thereof are due to rounding.

2.14 Compliance Placement

Based on the shareholding statistics available to the Company as at the date of this announcement, it is envisaged that upon completion of the Proposed Acquisitions and MCC Loan Assignment, approximately 21.1% of the Enlarged Share Capital of the Company will be held in the hands of public Shareholders, thus fulfilling the minimum free float requirement prescribed under Rule 723 of the Listing Manual. In the event that the public float falls below the minimum free float requirement prescribed under Rule 723 of the Listing Manual, the Company will take the necessary actions to ensure that the applicable public float requirements are maintained, including, but not limited to, undertaking a compliance placement.

2.15 Moratorium undertakings

The existing controlling Shareholder of the Company, Mr. Raymond Ng Ah Hua and his associates, namely, Mdm. Ng Sok Eng¹², BS Capital¹³ and MIH¹⁴, will comply with all applicable moratorium requirements under the Listing Manual in respect of the Shares held by them as at the Completion Date.

Based on the number of the Acquisition Consideration Shares and Loan Assignment Shares to be issued by the Company for the Proposed Acquisitions and MCC Loan Assignment, save for BS Capital, none of the other Vendors and/or their respective associate(s) will become a controlling Shareholder of the Company as a result of the Proposed Acquisitions and MCC Loan Assignment.

2.16 Waiver from the Securities Industry Council of Singapore (the “SIC”)

Following completion of the Proposed Acquisitions and MCC Loan Assignment, and based on the Company's Enlarged Share Capital of 3,947,197,598 Shares, Mr. Raymond Ng Ah Hua and his presumed concert parties, namely Mdm. Ng Sok Eng, BS Capital and, MIH will own an aggregate interest of approximately 69.5% of the Enlarged Share Capital of the Company.

In such event, pursuant to Rule 14 of the Code, Mr. Raymond Ng Ah Hua and his concert parties will incur an obligation to make a mandatory general offer for all the remaining issued Shares not already owned, controlled or agreed to be acquired by them. As such, Mr. Raymond Ng Ah Hua will be seeking a waiver of his and his concert parties' obligation to make a mandatory general offer under Rule 14 of the Code from the SIC (the “Whitewash Waiver”).

2.17 Chapter 10: The Proposed Acquisitions and MCC Loan Assignment as a Very Substantial Acquisition

The relative figures for the Proposed Acquisitions and MCC Loan Assignment computed on the bases in Rule 1006 of the Listing Manual are as set out below:

¹² Mdm. Ng Sok Eng is the spouse of Mr. Raymond Ng Ah Hua.

¹³ Please refer to paragraph 2.3.2 of this announcement for further details on Mr. Raymond Ng Ah Hua's shareholding interests in BS Capital, the Vendor in the CPM Acquisition and EHPI Acquisition.

¹⁴ Please refer to paragraph 2.6.2 of this announcement for further details on Mr. Raymond Ng Ah Hua's shareholding interests in MIH, one of the Vendors in the MCC Acquisition.

(a)	Rule 1006(a) The net asset value (“NAV”) of the assets to be disposed of, compared with the Group’s NAV. This basis is not applicable to an acquisition of assets.	Not applicable
(b)	Rule 1006(b) The net profits ⁽¹⁾⁽²⁾ of S\$1.6 million attributable to the assets acquired, compared with the Group’s net loss ⁽¹⁾⁽³⁾ of S\$2.9 million.	(53.7)%
(c)	Rule 1006(c) The aggregate value of the Acquisition Consideration and MCC Assigned Shareholders’ Loans, compared with the Company’s market capitalisation ⁽⁴⁾ of approximately S\$61.6 million (based on the weighted average price of the Company’s Shares on the SGX-ST of S\$0.060 on 20 July 2015)	481.7%
(d)	Rule 1006(d) The number of Shares issued by the Company as consideration for the Proposed Acquisitions and MCC Loan Assignment, compared with the number of equity securities previously in issue.	284.5%
(e)	Rule 1006(e) The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves.	Not applicable

Notes:

- (1) Under Rule 1002(3)(b) of the Listing Manual, “net profits” means profit or loss before income tax, minority interests and extraordinary items.
- (2) Based on the unaudited profit and loss accounts of the respective Target Companies for the three-month financial period ended 31 March 2015 and the effective interest in each of the Target Companies to be acquired by the Company pursuant to the Proposed Acquisitions.
- (3) Based on the latest announced unaudited profit and loss accounts of the Group for the three-month financial period ended 31 March 2015.
- (4) Under Rule 1002(5) of the Listing Manual, the market capitalisation of the Company is determined by multiplying the number of Shares in issue by the weighted average price of such Shares transacted on the market day preceding the date of the Acquisition SPAs.

As the relative figures under Rules 1006(c) and 1006(d) of the Listing Manual exceed 100.0%, and the Proposed Acquisitions and MCC Loan Assignment will not result in a change in control of the Company¹⁵, the Proposed Acquisitions and MCC Loan Assignment would constitute a very substantial acquisition under Rule 1015 of the Listing Manual. Accordingly, the Proposed Acquisitions and MCC Loan Assignment shall be conditional upon, *inter alia*, the approval of the SGX-ST and the Shareholders being obtained pursuant to Rule 1015 of the Listing Manual.

2.18 Chapter 9: The Proposed Acquisitions and MCC Loan Assignment as Interested Person Transactions (“IPT”)

2.18.1 Details of the Interested Persons

(a) Mr. Raymond Ng Ah Hua

As at the date of this announcement, (i) the vendor of the CPM Acquisition and EHPI

¹⁵ There is no change of control as Mr. Raymond Ng Ah Hua is already an existing controlling Shareholder of the Company as at the date of this announcement, and save for BS Capital which is currently 100.0% owned by Mr. Raymond Ng Ah Hua, none of the other Vendors and/or their respective associate(s) will become a controlling Shareholder of the Company as a result of the Proposed Acquisitions and the MCC Loan Assignment.

Acquisition, namely, BS Capital; (ii) one of the vendors of the MCC Acquisition, namely, MIH, and (iii) one of the Target Companies, namely CPM, are “interested persons” for the purposes of Chapter 9 of the Listing Manual for the following reasons:

- (i) Mr. Raymond Ng Ah Hua, directly and indirectly, holds approximately 39.1% of the total issued share capital of the Company and is the Executive Chairman and a controlling Shareholder of the Company;
- (ii) Mr. Raymond Ng Ah Hua holds 100.0% of the total issued share capital of BS Capital and is a director of BS Capital;
- (iii) Mr. Raymond Ng Ah Hua and his spouse, Mdm. Ng Sok Eng, together hold 100.0% of the total issued share capital of BS Fund Management, which in turn holds 100.0% of the total issued share capital of MIH; and
- (iv) Mr. Raymond Ng Ah Hua currently holds 100.0% of the total issued share capital of BS Capital, which in turn holds 87.5% of the total issued share capital of CPM.

(b) Mr. Lai Huen Poh

As at the date of this announcement, the Vendor of the BS and KD Acquisition, namely, BS Investors is an “interested person” for the purposes of Chapter 9 of the Listing Manual for the following reasons:

- (i) Mr. Lai Huen Poh, directly and indirectly, holds approximately 0.3% of the total issued share capital of the Company and is a Non-Executive Director of the Company; and
- (ii) Mr. Lai Huen Poh holds 50.0% of the total issued share capital of VA Development, which in turn holds 50.0% of the total issued share capital of BS Investors. By virtue of Section 7(4A) of the Companies Act, Mr. Lai Huen Poh is deemed interested in VA Development’s interest in BS Investors.

2.18.2 Details of the Interested Person Transactions

By virtue of the interests of Mr. Raymond Ng Ah Hua and Mr. Lai Huen Poh as disclosed above, the following transactions contemplated under the Acquisition SPAs will constitute “interested person transactions” for the purposes of Chapter 9 of the Listing Manual (the “**IP**Ts”):

(a) The BS and KD Acquisition, CPM Acquisition, EHPI Acquisition and MCC Acquisition

The rationale of the above acquisitions is set out in paragraph 2.12 of this announcement.

(b) The following transactions contemplated under the BS and KD Acquisition, CPM Acquisition, EHPI Acquisition and MCC Acquisition:

- (i) the MCC Loan Assignment;
- (ii) the Novated Loan; and
- (iii) the repayment of the outstanding shareholder loans and any accrued interest for the Target Companies.

The MCC Loan Assignment, Novated Loan, and repayment of outstanding shareholder loans were taken into account as part of the Aggregate Consideration for the Acquisitions, and the terms of these transactions were designed to preserve the positive cash flow position of the Target Companies so that they have sufficient cash flow for their business operations.

(c) The Management Services Agreement

The rationale of the Management Services Agreement is set out in paragraph 2.7.1 of this announcement.

(d) The Put Option

The rationale of the Put Option is set out in paragraph 2.7.2 of this announcement.

2.18.3 Materiality thresholds under Chapter 9

Under Chapter 9 of the Listing Manual, Shareholders' approval is required for an interested person transaction of a value equal to, or more than, (i) 5.0% of the Group's latest audited NTA, or (ii) 5.0% of the Group's latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year.

The Group's latest audited NTA is S\$104.4 million. As the aggregate value of the IPTs exceeds 5.0% of the Group's latest audited NTA, the approval of the independent Shareholders for the IPTs has to be obtained at the EGM pursuant to Rule 906(1) of the Listing Manual.

2.18.4 Existing interested person transactions with particular interested persons

The Group has existing interested person transactions with Mr. Raymond Ng Ah Hua and his associate(s) which relate to the provision of construction-related services by a wholly-owned subsidiary of the Company, Leong Hin Piling (Pte.) Limited, its subsidiaries and associated companies, to Mr Raymond Ng Ah Hua and his associates. These transactions are carried out under shareholders' mandate for transactions with interested persons (which was renewed at the Company's annual general meeting held on 28 April 2015 and is valid until the next annual general meeting of the Company), and amounted to approximately S\$138,340 from the beginning of the financial year and up to the date of this announcement.

Save as disclosed in this announcement and other than transactions of less than S\$100,000 in value, as at the date of this announcement, the Group does not have any other interested person transaction with (i) Mr. Raymond Ng Ah Hua or any of his associate(s); (ii) Mr. Lai Huen Poh or any of his associate(s); or (iii) any other interested persons of the Group from the beginning of the financial year and up to the date of this announcement, which are discloseable under Chapter 9 of the Listing Manual.

2.18.5 Independent Financial Adviser and Audit Committee's Statement

The Company has appointed Xandar Capital Pte Ltd as an independent financial adviser ("IFA") to advise the independent Directors on, *inter alia*:

- (a) whether the terms of the IPTs are on normal commercial terms and whether they are prejudicial to the interests of the Company and its minority Shareholders; and
- (b) whether the Whitewash Resolution is prejudicial to the interests of the Company and its independent shareholders.

The Audit Committee of the Company ("**Audit Committee**") comprising Mr. Tan Kok Hiang, Mr. Tan Gim Soo and Mr. Samuel Poon Hon Thang as at the date of this announcement will form its views on the IPTs after taking into account the opinion of the IFA. The Audit Committee's views on the IPTs will be set out in the Circular (as defined below) in due course.

2.19 Financial Information of the Target Companies and the Enlarged Group

Please refer to Appendix 1 of this announcement for the financial information of the respective Target Companies for the financial years ended 31 December 2012, 2013 and 2014 (the "**Period Under Review**"). The financial information of the respective Target Companies for the Period Under Review has been extracted from the audited financial statements of the respective Target Companies for the relevant financial years.

As the Target Companies are not subject to the common control of a particular entity as at the end of the relevant financial years, the Target Companies do not satisfy the requirements of the Singapore Financial Reporting Standards for presenting the financial position and results of operations of the Target Companies as if they were a single entity. As such, there will not be consolidated or combined financial statements for the Target Companies.

For illustrative purposes only, the unaudited *pro forma* consolidated financial information of the Enlarged Group which have been prepared based on the audited consolidated financial statements of the Group and the audited financial statements of the respective Target Companies for the Period Under Review are set out in Appendix 2 of this announcement.

The unaudited *pro forma* consolidated financial information of the Enlarged Group will be reviewed by the Company's independent reporting accountants and set out in the Circular (as defined below). Shareholders should note that the figures set out in the Appendix 2 of this announcement may vary from the final unaudited *pro forma* consolidated financial information due to certain adjustments that may arise.

3. THE PROPOSED SHARE CONSOLIDATION

3.1 Proposed Share Consolidation

In connection with the Proposed Acquisitions, the MCC loan Assignment and the introduction of the MTP Requirement (as defined below), the Company proposes to undertake a consolidation (the "**Proposed Share Consolidation**") of all its Shares on the basis of every 6 existing Shares into 1 consolidated Share ("**Consolidated Share**").

Subject to, *inter alia*, Shareholders' approval being obtained for the Proposed Share Consolidation, the Proposed Share Consolidation is intended to take effect after the completion of the Proposed Acquisitions and the MCC Loan Assignment. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded in board lots of 100 Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which they are entitled to, based on their holdings of Shares as at the books closure date that will be determined by the Board, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation shall be disregarded. As the net proceeds from any sale of fractions of Consolidated Shares arising from the Proposed Share Consolidation are likely to be less than the administrative costs and expenses involved in despatching such proceeds to Shareholders, fractions of a Consolidated Share arising from the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company.

As at the date of this announcement, the Company has an issued share capital comprising 1,026,650,198 Shares. For illustrative purposes only, on the assumption that the Proposed Acquisitions and MCC Loan Assignment are completed and that there are no other new Shares issued by the Company up to the books closure date that will be determined by the Board, following the issue of 2,920,547,400 Shares as consideration for the Proposed Acquisitions and the MCC Loan Assignment, and the Proposed Share Consolidation, the Company will have an issued share capital comprising a total of 657,866,258 Consolidated Shares (subject to rounding).

3.2 Rationale for the Proposed Share Consolidation

The Monetary Authority of Singapore and the SGX-ST have introduced a minimum trading price for Mainboard-listed stocks of S\$0.20 as a continuing listing requirement (the "**MTP Requirement**") on 2 March 2015. The MTP Requirement will take effect after a one-year transition period ending on 1 March 2016, with the first review based on the volume weight average price from September 2015 to March 2016. The Company proposes to undertake the Proposed Share Consolidation to, *inter alia*, comply with the MTP Requirement.

In addition, the Board also believes that the Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares outstanding and the trading price per Consolidated Share should theoretically be higher than the trading price per Share prior to the Proposed Share Consolidation. If the price per Consolidated Share is indeed higher than the trading price per Share prior to the Proposed Share Consolidation, the Proposed Share Consolidation may also increase the profile of the Company amongst investors and the coverage of the Company by research houses. This may, in turn, increase market interest and activity in the Consolidated Shares, and generally make the Shares more attractive to investors, including institutional investors for capital raising purposes and thus providing a more diverse shareholder base. In addition, the reduction in the number of Shares will allow for more efficiency in administering corporate actions by the Company.

However, Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

3.3 Conditions for the Proposed Share Consolidation

The Proposed Share Consolidation is subject to specific approval by the Shareholders at the EGM, and approval from the SGX-ST for the listing and quotation of the Consolidated Shares on the Mainboard of the SGX-ST and the SGX-ST's listing requirements. An application will be made by the Company to the SGX-ST for permission to deal in and for the listing and quotation of the Consolidated Shares on the Mainboard of the SGX-ST in due course.

4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS, THE MCC LOAN ASSIGNMENT AND THE PROPOSED SHARE CONSOLIDATION

The *pro forma* financial effects of the Proposed Acquisitions, the MCC Loan Assignment and the Proposed Share Consolidation as set out below are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Company or the Group after the completion of the Proposed Acquisitions, the MCC Loan Assignment and Proposed Share Consolidation.

(a) NTA Per Share

For illustrative purposes only, assuming that the Proposed Acquisitions, the MCC Loan Assignment and Proposed Share Consolidation had taken place on 31 December 2014, being the end of the most recently completed financial year, and based on the unaudited *pro forma* consolidated financial information of the Enlarged Group for the year ended 31 December 2014, the Proposed Acquisitions, the MCC Loan Assignment and Proposed Share Consolidation will have the following impact on the NTA and the NTA per Share of the Group:

	Before the Proposed Acquisitions, the MCC Loan Assignment and Proposed Share Consolidation ⁽²⁾	After the Proposed Acquisitions and MCC Loan Assignment but before the Proposed Share Consolidation ⁽³⁾	After the Proposed Acquisitions, the MCC Loan Assignment and the Proposed Share Consolidation ⁽⁴⁾
NTA (S\$'000) ⁽¹⁾	73,602	386,705	386,705
Number of issued Shares ('000)	1,026,650	3,947,198	657,866
NTA per Share (cents)	7.17	9.80	58.78

Notes:

- (1) NTA is the total equity of the Group (excluding minority interest) after deducting intangible assets.
- (2) Calculated on the pre-consolidated basis of 1,026,650,198 Shares in the share capital of the Company as at the date of this announcement.

- (3) Calculated on the pre-consolidated basis of 3,947,197,598 Shares in the enlarged share capital of the Company, assuming completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to the completion of the Proposed Share Consolidation.
- (4) Calculated on the post-consolidated basis of 657,866,258 Consolidated Shares, assuming completion of the Proposed Acquisitions, the MCC Loan Assignment and the Proposed Share Consolidation.

(b) **Earnings Per Share ("EPS")**

For illustrative purposes only, assuming that the Proposed Acquisitions, MCC Loan Assignment and Proposed Share Consolidation had been completed on 1 January 2014, being the beginning of the most recently completed financial year, and based on the unaudited *pro forma* consolidated financial information of the Enlarged Group for the year ended 31 December 2014, the Proposed Acquisitions, MCC Loan Assignment and Proposed Share Consolidation will have the following impact on the EPS of the Group:

	Before the Proposed Acquisitions, the MCC Loan Assignment and Proposed Share Consolidation⁽²⁾	After the Proposed Acquisitions and MCC Loan Assignment but before the Proposed Share Consolidation⁽³⁾	After the Proposed Acquisitions, the MCC Loan Assignment and the Proposed Share Consolidation⁽⁴⁾
Profit attributable to owners of the Company (S\$'000)	12,909	94,499 ⁽⁵⁾	94,499 ⁽⁵⁾
Basic EPS⁽¹⁾			
Weighted average number of issued Shares ('000)	1,026,650	3,947,198	657,866
Basic EPS (cents)	1.26	2.39	14.36
Diluted EPS⁽¹⁾			
Weighted average number of issued Shares ('000)	1,026,650	3,947,198	657,866
Diluted EPS (cents)	1.26	2.39	14.36

Notes:

- (1) For the financial year ended 31 December 2014, the basic EPS and diluted EPS of the Group are the same as the Group did not have any potential shares outstanding in that financial year.
- (2) Calculated on the pre-consolidated basis of 1,026,650,198 weighted average number of Shares in the share capital of the Company as at the date of this announcement.
- (3) Calculated on the pre-consolidated basis of 3,947,197,598 weighted average number of Shares in the enlarged share capital of the Company, assuming completion of the Proposed Acquisitions and the MCC Loan Assignment but prior to the completion of the Proposed Share Consolidation.
- (4) Calculated on the post-consolidated basis of 657,866,258 weighted average number of Consolidated Shares, assuming completion of the Proposed Acquisitions, the MCC Loan Assignment and the Proposed Share Consolidation.
- (5) This includes acquisition related costs relating to the Proposed Acquisitions, estimated to be S\$1.5 million, which may differ from the actual cost at completion of the Proposed Acquisitions.

5. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

Save for Mr. Raymond Ng Ah Hua and Mr. Lai Huen Poh as disclosed above, as at the date of this announcement, none of the other Directors and/or controlling Shareholders of the Company has any interest, direct or indirect, other than through their directorships and/or shareholdings in the Company,

if any, in the Proposed Acquisitions, the MCC Loan Assignment and/or the Proposed Share Consolidation.

6. NO SERVICE CONTRACTS

None of the agreements relating to the Proposed Acquisitions and MCC Loan Assignment provides for the appointment of any person to the Company's Board, and accordingly, no new service contract is proposed to be entered into pursuant to or in connection with the Proposed Acquisitions or the MCC Loan Assignment.

7. JOINT FINANCIAL ADVISERS AND IFA

Maybank Kim Eng Securities Pte. Ltd. and United Overseas Bank Limited have been appointed as the joint financial advisers to the Company in respect of the Proposed Acquisitions and the MCC Loan Assignment.

The Company has appointed Xandar Capital Pte Ltd as an IFA to the independent Shareholders and the independent Directors of the Company in connection with, *inter alia*, the resolution relating to the Whitewash Waiver and the IPT aspects of the Proposed Acquisitions and the MCC Loan Assignment.

8. CIRCULAR

Subject to SGX-ST's approval, a circular ("**Circular**") setting out, *inter alia*:

- (a) the terms of the Proposed Acquisitions and the MCC Loan Assignment;
- (b) the opinion and recommendation of the IFA in relation to, *inter alia*, the resolution relating to the Whitewash Waiver and the IPT aspects of the Proposed Acquisitions and the MCC Loan Assignment; and
- (c) the terms of the Proposed Share Consolidation,

together with a notice of the EGM, will be despatched by the Company to the Shareholders in due course.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours at the Company's registered office at 3 Tuas Avenue 2, Singapore 639443 for a period of three months from the date of this announcement:

- (a) each of the BS and KD SPA, CPM SPA, EHPI SPA, EPPL SPA and MCC SPA; and
- (b) each of the Bendemeer Property Valuation Report, Carros Property Valuation Report, PoMo Valuation Report, LS Properties Valuation Reports, 99 Tuas Bay Valuation Report and MCC Valuation Report.

10. RESPONSIBILITY STATEMENTS

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

The Vendors accept full responsibility for the accuracy of the information given in this announcement in respect of the Vendors and the Target Companies and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the facts stated and opinions expressed by them in this announcement in respect of the Vendors and the Target Companies are fair and accurate in all material respects, and the Vendors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Vendors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

Shareholders and investors are advised to exercise caution in trading their Shares as the Proposed Acquisitions, MCC Loan Assignment and Proposed Share Consolidation are subject to certain conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisitions, MCC Loan Assignment and Proposed Share Consolidation will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcement(s) when there are further developments on the Proposed Acquisitions, MCC Loan Assignment and Proposed Share Consolidation.

Shareholders and investors are advised to read this announcement and any further announcement(s) by the Company carefully. Shareholders and investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Raymond Ng Ah Hua
Executive Chairman
22 July 2015