

**OFFER INFORMATION STATEMENT DATED 7 MAY 2019**  
(Lodged with the Monetary Authority of Singapore on 7 May 2019)

**THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.**

A copy of this Offer Information Statement (as defined herein), together with a copy of each of the ARE, the ARS and the PAL (each, as defined herein), has been lodged with the Monetary Authority of Singapore (the "Authority"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the securities or securities-based derivatives contracts, as the case may be, being offered for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the dealing in, listing of and quotation for: (a) up to 113,749,959 Series 2 Convertible Securities (as defined herein) to be issued pursuant to the Rights Issue (as defined herein); (b) up to 113,749,959 Conversion Shares (as defined herein); (c) up to 193,374,930 Warrants (as defined herein) to be issued pursuant to the Rights Issue and the Bonus Issue (as defined herein); and (d) up to 193,374,930 Warrant Exercise Shares (as defined herein) on the Official List of the SGX-ST, subject to certain conditions. The Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares will be admitted to the Official List of the SGX-ST and official quotation for the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares (as the case may be) will commence after all conditions imposed by the SGX-ST are satisfied, including, in the case of the Series 2 Convertible Securities and the Warrants, there being a sufficient spread of holdings of the Series 2 Convertible Securities and/or the Warrants (as the case may be) to provide for an orderly market in the Series 2 Convertible Securities and/or the Warrants (as the case may be), the global certificate relating to the Series 2 Convertible Securities having been issued, the warrant certificate(s) relating to the Warrants having been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") having been despatched. The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Bonus Issue, First Sponsor Group Limited (the "Company") and/or its subsidiaries. In the event that there are adjustments to the Conversion Price (as defined herein) and/or number of Warrants (as the case may be) which would require additional Conversion Shares, Warrants and/or Warrant Exercise Shares (as the case may be) (collectively, the "Adjustment Securities") to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such Adjustment Securities on the Official List of the SGX-ST at the relevant time.

It should be noted that the Series 2 Convertible Securities and/or the Warrants may not be listed and quoted on the SGX-ST in the event of an insufficient spread of holdings of the Series 2 Convertible Securities and/or the Warrants (as the case may be) to provide for an orderly market in the Series 2 Convertible Securities and/or the Warrants (as the case may be). Accordingly, in such event, Securityholders (as defined herein) and/or Warrant holders (as defined herein) (as the case may be) will not be able to trade their Series 2 Convertible Securities and/or their Warrants (as the case may be) on the SGX-ST. However, if a Securityholder were to convert his Series 2 Convertible Securities into Conversion Shares in accordance with the terms and conditions of the Series 2 Convertible Securities (the "Terms and Conditions of the Series 2 Convertible Securities") and/or a Warrant holder were to exercise his Warrants into Warrant Exercise Shares in accordance with the terms and conditions of the Warrants (the "Terms and Conditions of the Warrants"), such Conversion Shares and/or Warrant Exercise Shares (as the case may be) will be listed and quoted on the Official List of the SGX-ST.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained (if any) or opinions expressed in this Offer Information Statement.

**The Series 2 Convertible Securities are subordinated perpetual capital securities and have no fixed redemption date. Subject to the Terms and Conditions of the Series 2 Convertible Securities, the Company may, at its sole discretion and subject to certain conditions, elect not to pay (or pay only part of) any scheduled Distribution (as defined herein), and there is no limit as to the number of times Distributions and Arrears of Distribution (as defined herein) can be deferred in accordance with the Terms and Conditions of the Series 2 Convertible Securities.**

**Notification under Section 309B of the SFA** – The Rights (as defined herein), the Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares are classified as "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares, or make an offer of the Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares, and the Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. **The Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares have not been and will not be registered under the Securities Act (as defined herein) or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.**

No Rights, Series 2 Convertible Securities, or Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six months after the date of lodgement of this Offer Information Statement.



## FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands on 24 September 2007)

(Company Registration Number: AT-195714)

- (1) **RENONCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE (THE "RIGHTS ISSUE") OF UP TO S\$147,649,108.10 IN AGGREGATE PRINCIPAL AMOUNT OF 3.98 PER CENT. SUBORDINATED PERPETUAL CONVERTIBLE CAPITAL SECURITIES (THE "SERIES 2 CONVERTIBLE SECURITIES") IN THE DENOMINATION OF S\$1.30 FOR EACH SERIES 2 CONVERTIBLE SECURITY, WITH UP TO 113,576,237 FREE DETACHABLE WARRANTS (THE "WARRANTS"), EACH CARRYING THE RIGHT TO SUBSCRIBE FOR ONE NEW SHARE (AS DEFINED BELOW) (COLLECTIVELY, THE "WARRANT EXERCISE SHARES") ON THE BASIS OF:**
  - (A) **ONE SERIES 2 CONVERTIBLE SECURITY FOR EVERY SEVEN EXISTING ORDINARY SHARES WITH A PAR VALUE OF US\$0.10 EACH IN THE CAPITAL OF THE COMPANY (COLLECTIVELY, THE "SHARES") HELD BY RIGHTS ISSUE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE RIGHTS ISSUE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND**
  - (B) **ONE WARRANT FOR EVERY ONE SERIES 2 CONVERTIBLE SECURITY VALIDLY SUBSCRIBED FOR; AND**
- (2) **BONUS ISSUE (THE "BONUS ISSUE") OF UP TO 79,503,366 WARRANTS ON THE BASIS OF ONE WARRANT FOR EVERY 10 EXISTING SHARES HELD BY BONUS ISSUE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BONUS ISSUE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

### IMPORTANT DATES AND TIMES IN RELATION TO THE RIGHTS ISSUE

Last date and time for splitting and trading of the Rights	:	17 May 2019 at 5.00 p.m.
Last date and time for acceptance of and payment for the Series 2 Convertible Securities with Warrants under the Rights Issue	:	24 May 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)
Last date and time for application and payment for excess Series 2 Convertible Securities with Warrants under the Rights Issue	:	24 May 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of the Participating Banks)

*Manager of the Rights Issue*



## UNITED OVERSEAS BANK LIMITED

(Company Registration Number: 193500026Z)

(Incorporated in the Republic of Singapore)

## TABLE OF CONTENTS

IMPORTANT NOTICE .....	3
DEFINITIONS .....	7
GLOSSARY OF PROPERTIES AND TECHNICAL TERMS .....	25
SUMMARY OF THE BUSINESS OF THE GROUP .....	29
SUMMARY OF THE RIGHTS ISSUE .....	33
SUMMARY OF THE BONUS ISSUE .....	35
SERIES 1 CONVERTIBLE SECURITIES .....	36
SUMMARY OF THE TERMS AND CONDITIONS OF THE SERIES 2 CONVERTIBLE SECURITIES .....	39
SUMMARY OF THE TERMS AND CONDITIONS OF THE WARRANTS .....	50
INDICATIVE TIMETABLE .....	54
RISK FACTORS .....	56
CLEARING, SETTLEMENT AND CUSTODY FOR THE SERIES 2 CONVERTIBLE SECURITIES .....	120
ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE .....	122
ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE BONUS ISSUE .....	127
OFFERING, SELLING AND TRANSFER RESTRICTIONS .....	128
TRADING .....	130
TAKE-OVERS .....	133
TAXATION .....	134
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS .....	140
DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018 .....	141
PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS .....	141
PART 3 – OFFER STATISTICS AND TIMETABLE .....	144
PART 4 – KEY INFORMATION .....	150
PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS .....	170
PART 6 – THE OFFER AND LISTING .....	186

<b>PART 7</b>	<b>-</b>	<b>ADDITIONAL INFORMATION</b>	<b>196</b>
<b>PART 8</b>	<b>-</b>	<b>ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES</b>	<b>198</b>
<b>PART 9</b>	<b>-</b>	<b>ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES</b>	<b>212</b>
<b>PART 10</b>	<b>-</b>	<b>ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE</b>	<b>214</b>
<b>PART 11</b>	<b>-</b>	<b>ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION STATEMENT FOR PURPOSES OF SECTION 277(1AC)(a)(I) OF THE SFA</b>	<b>217</b>
		<b>ADDITIONAL DISCLOSURE REQUIREMENTS UNDER APPENDIX 8.2 OF THE LISTING MANUAL</b>	<b>218</b>
<b>APPENDIX A</b>	<b>-</b>	<b>TERMS AND CONDITIONS OF THE SERIES 2 CONVERTIBLE SECURITIES</b>	<b>A-1</b>
<b>APPENDIX B</b>	<b>-</b>	<b>TERMS AND CONDITIONS OF THE WARRANTS</b>	<b>B-1</b>
<b>APPENDIX C</b>	<b>-</b>	<b>CONSOLIDATED STATEMENTS OF PROFIT OR LOSS OF THE GROUP FOR FY2016, FY2017, FY2018, 1Q2018 AND 1Q2019</b>	<b>C-1</b>
<b>APPENDIX D</b>	<b>-</b>	<b>CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE GROUP FOR FY2016, FY2017, FY2018, 1Q2018 AND 1Q2019</b>	<b>D-1</b>
<b>APPENDIX E</b>	<b>-</b>	<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP AS AT 31 DECEMBER 2018 AND 31 MARCH 2019</b>	<b>E-1</b>
<b>APPENDIX F</b>	<b>-</b>	<b>CONSOLIDATED STATEMENT OF CASH FLOWS OF THE GROUP FOR FY2018 AND 1Q2019</b>	<b>F-1</b>
<b>APPENDIX G</b>	<b>-</b>	<b>PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS BY RIGHTS ISSUE ENTITLED DEPOSITORS</b>	<b>G-1</b>
<b>APPENDIX H</b>	<b>-</b>	<b>ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS UNDER THE RIGHTS ISSUE THROUGH ATMS OF PARTICIPATING BANKS</b>	<b>H-1</b>
<b>APPENDIX I</b>	<b>-</b>	<b>PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION IN RESPECT OF THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS UNDER THE RIGHTS ISSUE BY RIGHTS ISSUE ENTITLED SCRIPHOLDERS</b>	<b>I-1</b>
<b>APPENDIX J</b>	<b>-</b>	<b>INFORMATION ON MAJOR PROPERTIES IN THE GROUP'S PORTFOLIO</b>	<b>J-1</b>

## **IMPORTANT NOTICE**

Capitalised terms used which are not otherwise defined herein shall have the same meaning as ascribed to them under the Section titled “**Definitions**” of this Offer Information Statement.

Investors should note the following in respect of the Series 2 Convertible Securities.

- **THE SERIES 2 CONVERTIBLE SECURITIES ARE SUBORDINATED**

**The Series 2 Convertible Securities are subordinated.**

**Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Company, the rights of the Securityholders to payments of principal and any accrued and unpaid Distributions (including any unpaid Arrears of Distribution) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company, but always in priority to the claims of Shareholders.**

**In the event of a shortfall of funds on a winding-up of the Company, there is a real risk that an investor in the Series 2 Convertible Securities will lose some or all of his investment.**

- **THE SERIES 2 CONVERTIBLE SECURITIES ARE PERPETUAL**

**The Series 2 Convertible Securities are perpetual capital securities and have no fixed redemption date.**

**The Company has the right to redeem the Series 2 Convertible Securities at its option and on the occurrence of certain events specified in the Terms and Conditions of the Series 2 Convertible Securities.**

**Securityholders have no right to require the Company to redeem the Series 2 Convertible Securities.**

- **DISTRIBUTIONS UNDER THE SERIES 2 CONVERTIBLE SECURITIES CAN BE DEFERRED INDEFINITELY**

**The Company may, at its sole discretion and subject to certain conditions, elect to defer any scheduled Distribution (or part of any scheduled Distribution) on the Series 2 Convertible Securities for an indefinite period of time, subject to the Terms and Conditions of the Series 2 Convertible Securities.**

**The Company is not subject to any limit as to the number of times Distributions (including any Arrears of Distribution) can be deferred pursuant to the Terms and Conditions of the Series 2 Convertible Securities, subject to compliance with certain restrictions, and any such deferral of Distribution (including any Arrears of Distribution) shall not constitute a default for any purpose. No interest on any Arrears of Distribution will be payable to Securityholders.**

**Should a Securityholder exercise his Conversion Right (as defined herein), any Arrears of Distribution due in respect of a Series 2 Convertible Security shall be extinguished in full upon the delivery by the Company of the Conversion Shares in accordance with Condition 5 of the Terms and Conditions of the Series 2 Convertible Securities. The Company shall not be liable to pay the Arrears of Distribution due in respect of the converted Series 2 Convertible Securities and no converting Securityholder shall have any claim in respect of such Arrears of Distribution.**

Please refer to the Sections titled “**Summary of the Terms and Conditions of the Series 2 Convertible Securities**” and “**Risk Factors – Risks Relating to the Series 2 Convertible Securities**” of this Offer Information Statement, as well as the Terms and Conditions of the Series 2 Convertible Securities as set out in **Appendix A** to this Offer Information Statement for further details.

#### **NOTICE IN RELATION TO THE RIGHTS ISSUE**

**For Rights Issue Entitled Depositors (as defined herein), acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants may be made through CDP or by way of an Electronic Application (as defined herein) at any ATM (as defined herein) of a Participating Bank (as defined herein).**

**For Rights Issue Entitled Scripholders (as defined herein), acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants may be made through the Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.).**

**For investors who hold Shares under the SRS (as defined herein) or through finance companies and/or Depository Agents (as defined herein), acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants, and (if applicable) applications for excess Series 2 Convertible Securities with Warrants must be done through their respective approved banks in which they hold their SRS Accounts (as defined herein), finance companies and/or Depository Agents. Such investors are advised to provide their relevant approved banks in which they hold their SRS Accounts, respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date (as defined herein). Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of Participating Banks, the Share Registrar and/or the Company will be rejected.**

**The Company is not registered under the Central Provident Fund (the “CPF”) Investment Scheme and the CPF account savings of CPF members under the CPF Investment Scheme – Ordinary Account may NOT be used to pay the Issue Price (as defined herein), accept their provisional allotments of Series 2 Convertible Securities with Warrants and/or (if applicable) apply for excess Series 2 Convertible Securities with Warrants.**

**For renounees of Rights Issue Entitled Shareholders or purchasers of Rights traded on the SGX-ST during the Rights trading period (the “Purchasers”) whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights represented by the provisional allotments of Series 2 Convertible Securities with Warrants purchased must be done through their respective finance companies or Depository Agents. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance of the Rights made directly through CDP, Electronic Applications at ATMs of Participating Banks, the Share Registrar and/or the Company will be rejected.**

**SRS investors who had purchased Shares using their SRS Accounts and who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of**

their respective SRS Accounts. Such investors who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants on their behalf in accordance with this Offer Information Statement. Such investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of Rights directly from the market.

**The existing Shares are quoted on the Main Board of the SGX-ST.**

Persons wishing to participate in the Rights Issue should, before deciding whether to do so, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group (as defined herein), including, but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of the Company and the Group and the rights and liabilities attaching to the Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of the Company and the Group, including, but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of the Company or the Group, as well as any bases and assumptions upon which financial projections, if any, relating to the Company or the Group are made or based, and their own appraisal and determination of the merits of investing in the Company or the Group. Persons in doubt as to the action they should take should consult stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take before deciding whether to participate in the Rights Issue. In addition, although the Warrants under the Bonus Issue are issued free to the Bonus Issue Entitled Shareholders, the Bonus Issue Entitled Shareholders are also encouraged to carefully read this Offer Information Statement in its entirety to have a better understanding of the rights and liabilities attaching to the Warrants and the Warrant Exercise Shares.

Investors should read the Section titled “**Risk Factors**” of this Offer Information Statement and, in particular, the sub-sections titled “**Risks Associated with the Series 2 Convertible Securities**” and “**Risks Associated with the Warrants**” of this Offer Information Statement.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue, the Bonus Issue or the issue of the Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company and/or the Manager of the Rights Issue. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement or the Product Highlights Sheet (as defined herein), nor the issue of the Series 2

Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement of the same via the SGXNET. All Rights Issue Entitled Shareholders and their renounees, Purchasers and Bonus Issue Entitled Shareholders should take note of any such announcement and, upon the release of such announcement, shall be deemed to have notice of such changes.

Neither the Company nor the Manager of the Rights Issue (as defined herein) is making any representation to any person regarding the legality of participation in the Rights Issue and/or the Bonus Issue by such person under any investment or any other laws or regulations. No information in this Offer Information Statement and the Product Highlights Sheet should be considered to be business, financial, legal or tax advice.

The Manager of the Rights Issue makes no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Bonus Issue, the Series 2 Convertible Securities, the Warrants, the Conversion Shares, the Warrant Exercise Shares, the Company, the Group or any other matter related thereto or in connection therewith. The Manager of the Rights Issue is not acting as manager of the Bonus Issue.

Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to participate in the Rights Issue.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription (where applicable) of the Series 2 Convertible Securities with Warrants under the Rights Issue and the offer and issue of the Warrants under the Bonus Issue, and may not be relied upon by any persons (other than Rights Issue Entitled Shareholders and their renounees and Purchasers and, as the case may be, Bonus Issue Entitled Shareholders) to whom these documents are despatched by the Company or for any other purpose.

This Offer Information Statement, including the Product Highlights Sheet, the ARE, the ARS and the PAL, may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

**The distribution of this Offer Information Statement and/or its accompanying documents, and the purchase, exercise of or subscription for (where applicable) the Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares may be prohibited or restricted by law (either absolutely or subject to various requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant laws of these jurisdictions. Rights Issue Entitled Shareholders and their renounees, Purchasers and Bonus Issue Entitled Shareholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company or the Manager of the Rights Issue. Please refer to the Sections titled “Eligibility of Shareholders to Participate in the Rights Issue”, “Eligibility of Shareholders to Participate in the Bonus Issue” and “Offering, Selling and Transfer Restrictions” of this Offer Information Statement for further information.**

The use of “we”, “our” and “us” in this Offer Information Statement is a reference to the Company, the Group or, as the context requires, any member of the Group.

## DEFINITIONS

For the purpose of this Offer Information Statement, the Product Highlights Sheet, the ARE, the ARS and the PAL, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated.

### *The Group Entities*

<b>“CGRE”</b>	:	Chengdu Gaeronic Real Estate Co., Ltd.
<b>“Company”</b>	:	First Sponsor Group Limited
<b>“Dongguan Sushun Investment Consultancy”</b>	:	Dongguan Sushun Investment Consultancy Co., Ltd. (东莞市速顺投资咨询有限公司) (formerly known as “FS Dongguan No. 8 Co., Ltd. (东莞市首铸八号投资有限公司)”) )
<b>“East Sun”</b>	:	Dongguan East Sun Limited (东莞市东日有限公司)
<b>“East Sun No. 1”</b>	:	Dongguan East Sun No. 1 Property Management Co., Ltd. (东莞市东日一号物业管理发展有限公司)
<b>“First Sponsor Guangdong”</b>	:	First Sponsor (Guangdong) Group Limited (首铸(广东)集团有限公司)
<b>“FS Dongguan Investment”</b>	:	FS Dongguan Investment Holdings Limited
<b>“FS Dongguan No. 1”</b>	:	First Sponsor No. 1 (Dongguan) Real Estate Co., Ltd. (首铸一号(东莞)房地产有限公司)
<b>“FS Dongguan No. 2”</b>	:	First Sponsor No. 2 (Dongguan) Real Estate Co., Ltd. (首铸二号(东莞)房地产有限公司)
<b>“FS Dongguan No. 3”</b>	:	FS Dongguan No. 3 Pte. Ltd.
<b>“FS Dongguan No. 9”</b>	:	FS Dongguan No. 9 Investment Consultancy Co., Ltd. (东莞市首铸九号投资咨询有限公司)
<b>“FS Euro”</b>	:	FS Euro Capital Limited
<b>“FS Investment”</b>	:	FS Investment Holdings Limited
<b>“FS Milan”</b>	:	FS Milan Property 1 S.r.l.
<b>“FS NL Hilton Rotterdam”</b>	:	FS NL Hilton Rotterdam OpCo 19 B.V.
<b>“FS NL Poortgebouw”</b>	:	FS NL Poortgebouw Opco 16 B.V.
<b>“FSCT1”</b>	:	FSCT DE Property 1 GmbH & Co. KG (formerly known as “SCUR-Alpha 364 GmbH & Co. KG”)



<b>“FSCT1GP”</b>	:	FSCT DE Property 1 GmbH (formerly known as “SCUR-Alpha 940 GmbH”)
<b>“FSDE”</b>	:	FS DE Property 2 GmbH (formerly known as “SCUR-Alpha 1044 GmbH”)
<b>“FSDG 3”</b>	:	FS Dongguan No. 3 Ltd
<b>“FSGL (Singapore Branch)”</b>	:	First Sponsor Group Limited (Singapore Branch)
<b>“FSMC”</b>	:	FSMC NL Property Group B.V. (formerly known as “Delta Lloyd Vastgoed Kantoren B.V.”)
<b>“FSMCR”</b>	:	FSMCR Hilton Rotterdam B.V. (formerly known as “Hotelmaatschappij Rotterdam B.V.”)
<b>“FSNL”</b>	:	FS NL Holdings B.V.
<b>“Group”</b>	:	The Company, its subsidiaries, associated companies and joint ventures. However, for the purposes of the Sections titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018”</b> and <b>“Additional Disclosure Requirements under Appendix 8.2 of the Listing Manual”</b> of this Offer Information Statement, as well as <b>Appendices C, D, E, F</b> and <b>J</b> to this Offer Information Statement, the <b>“Group”</b> shall mean the Company and its subsidiaries, unless the context otherwise requires
<b>“NLP1”</b>	:	NL Property 1 B.V. (formerly known as “Eurooffice 445 B.V.”)
<b>“NLP2”</b>	:	FS NL Property 2 B.V.
<b>“NLP10”</b>	:	NL D&P Property 10 B.V.
<b>“NLP11”</b>	:	FS NL Zuidoost Property 11 B.V.
<b>“NLP12”</b>	:	FS NL Zuid Property 12 B.V.
<b>“NLP15”</b>	:	FS NL Zuidoost Property 15 B.V.
<b>“NLP16”</b>	:	FS NL Amstel Development 16 B.V.
<b>“NLP18”</b>	:	FS NL Property 18 B.V.
<b>“QBN”</b>	:	Queens Bilderberg (Nederland) B.V.
<b>“RE Hilton Rotterdam”</b>	:	RE Hilton Rotterdam B.V.

**“Wenjiang BVI”** : Wenjiang (BVI) Limited

***Other Companies, Organisations and Agencies***

**“ABN AMRO”** : ABN AMRO Bank N.V.

**“Art-Invest Real Estate”** : Art-Invest Real Estate Funds GmbH

**“Authority”** : Monetary Authority of Singapore

**“BHG Amstelveen”** : BHG Amstelveen II B.V.

**“BHG Utrecht”** : BHG Utrecht I B.V.

**“BNP Paribas”** : BNP Paribas REIM SGR p.A.

**“Borealis Hotel”** : Borealis Hotel Group B.V.

**“Borealis Real Estate”** : Borealis Real Estate B.V.

**“BRE/GH II Dresden I Investor”** : BRE/GH II Dresden I Investor GmbH

**“Calculation Agent”,  
“Paying Agent” or  
“Trustee”** : Perpetual (Asia) Limited

**“CBRC”** : Banking Regulatory Commission of the PRC  
(中国银监会)

**“CCHM”** : Chengdu Cityspring Hotel Management Co., Ltd.  
(成都城市春天酒店管理有限公司)

**“CDL Properties”** : CDL Properties B.V.

**“CDP”** : The Central Depository (Pte) Limited

**“CDTF”** : Chengdu Tianfu Properties Ltd.

**“CLXRE”** : Chengdu Longfor Xicheng Real Estate Co., Ltd.  
(成都龙湖西城置业有限公司)

**“Conversion Agent”,  
“Share Registrar”,  
“Registrar” or  
“Transfer Agent”** : Tricor Barbinder Share Registration Services (a division of  
Tricor Singapore Pte. Ltd.)

**“Delta Lloyd”** : Delta Lloyd Levensverzekering N.V.

**“FSCL”** : First Sponsor Capital Limited

**“FSML”** : First Sponsor Management Limited

<b>“FSMPL”</b>	:	First Sponsor Management Pte. Ltd.
<b>“Galaren”</b>	:	Galaren Interholding B.V.
<b>“Guangdong Idea Valley”</b>	:	Guangdong Idea Valley Advertisement Limited (广东慧谷广告有限公司)
<b>“Hotel-Restaurant Lauswolt”</b>	:	B.V. Hotel-Restaurant “Lauswolt”
<b>“Hotel Bellevue Dresden Betriebs”</b>	:	Hotel Bellevue Dresden Betriebs GmbH
<b>“Landgoed Lauswolt”</b>	:	B.V. Landgoed Lauswolt
<b>“Landgoed Oranjewoud”</b>	:	Landgoed Oranjewoud Participaties B.V.
<b>“M&amp;C NZ”</b>	:	Millennium & Copthorne Hotels New Zealand Limited
<b>“M&amp;C UK”</b>	:	Millennium & Copthorne Hotels plc
<b>“MCHIL”</b>	:	M&C Hospitality International Limited
<b>“MCHIPL”</b>	:	M&C Hotel Investments Pte. Ltd.
<b>“MIGCL”</b>	:	Minyoun Industrial Group Corporation Limited (明宇实业集团有限公司)
<b>“MOC”</b>	:	Ministry of Construction of the PRC (中国建设部)
<b>“Ningbo Meishan”</b>	:	Ningbo Meishan Bonded Port Area Nanshe Yachun Investment Management Partnership (Limited Partnership) (宁波梅山保税港区南舍雅春投资管理合伙企业(有限合伙))
<b>“PBOC”</b>	:	People’s Bank of China (中国人民银行)
<b>“QMH”</b>	:	QMH Limited
<b>“RHRL”</b>	:	Republic Hotels & Resorts Limited
<b>“RLIHL”</b>	:	Regent Land Investment Holdings Limited
<b>“SAFE”</b>	:	State Administration of Foreign Exchange of the PRC (中国国家外汇管理局)
<b>“SDPL”</b>	:	Singapura Developments (Private) Limited
<b>“SG Investments”</b>	:	SG Investments Pte. Ltd.

<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SHSH”</b>	:	SHSH Schiphol Hotel Exploitatie B.V.
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“Stein”</b>	:	Stein Finance B.V.
<b>“Tai Tak”</b>	:	Tai Tak Estates Sendirian Berhad
<b>“Tai Tak Frankfurt”</b>	:	Tai Tak Frankfurt B.V.
<b>“Tai Tak Industries”</b>	:	Tai Tak Industries Pte. Ltd.
<b>“TTAPL”</b>	:	Tai Tak Asia Properties Limited
<b>“TTPA”</b>	:	TT Properties (Asia) Ltd
<b>“Union Street Pluto”</b>	:	Union Street Pluto B.V.
<b>“Union Street Zulu”</b>	:	Union Street Zulu B.V.
<b>“Vanke”</b>	:	Sinobird Holding Limited
<b>“VKHK”</b>	:	Vanke Real Estate (Hong Kong) Company Limited
<b>General</b>		
<b>“2015 Debt Programme”</b>	:	The S\$1,000,000,000 Multicurrency Debt Issuance Programme of the Company
<b>“2016 Assignment Agreement”</b>	:	Has the meaning ascribed to it in paragraph 8(c) in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Information on the Relevant Entity”</b> of this Offer Information Statement
<b>“2016 Share Subscription Agreement”</b>	:	Has the meaning ascribed to it in paragraph 8(c) in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Information on the Relevant Entity”</b> of this Offer Information Statement
<b>“2018 Bonus Issue”</b>	:	The bonus issue of Shares undertaken by the Company in 2018 on the basis of one bonus Share for every 10 existing Shares pursuant to which 58,981,032 bonus Shares were issued

<b>“2018 Rights Issue”</b>	:	The renounceable and non-underwritten rights issue undertaken by the Company in 2018 pursuant to which S\$162,199,110.70 in aggregate principal amount of Series 1 Convertible Securities was issued
<b>“2019 AGM”</b>	:	The annual general meeting of the Company held on 24 April 2019
<b>“1Q”</b>	:	The three-month financial period of the Company ended 31 March
<b>“2Q”</b>	:	The three-month financial period of the Company ended 30 June
<b>“3Q”</b>	:	The three-month financial period of the Company ended 30 September
<b>“4Q”</b>	:	The three-month financial period of the Company ended 31 December
<b>“Adjustment Securities”</b>	:	The additional Conversion Shares, Warrants and/or Warrant Exercise Shares (as the case may be) that are required to be issued pursuant to any adjustments to the Conversion Price and/or number of Warrants (as the case may be) in accordance with the Terms and Conditions
<b>“Agency Agreement”</b>	:	An agency agreement to be entered into amongst (a) the Company, (b) the Trustee, (c) the Paying Agent, (d) the Calculation Agent, (e) the Registrar, (f) the Conversion Agent and (g) the Transfer Agent, in relation to the Series 2 Convertible Securities, as amended, varied or supplemented from time to time
<b>“Agents”</b>	:	The Calculation Agent, Conversion Agent, Paying Agent, Registrar, and Transfer Agent in relation to the Series 2 Convertible Securities
<b>“AIP”</b>	:	Approval in-principle from the SGX-ST for the dealing in, listing of and quotation for: (a) up to 113,749,959 Series 2 Convertible Securities to be issued pursuant to the Rights Issue; (b) up to 113,749,959 Conversion Shares; (c) up to 193,374,930 Warrants to be issued pursuant to the Rights Issue and the Bonus Issue; and (d) up to 193,374,930 Warrant Exercise Shares on the Official List of the SGX-ST
<b>“ARE”</b>	:	Application and acceptance form for the Series 2 Convertible Securities with Warrants and excess Series 2 Convertible Securities with Warrants to be issued to a Rights Issue Entitled Depositor in respect of the Rights of such Rights Issue Entitled Depositor under the Rights Issue

<b>“Arrear of Distribution”</b>	:	Any Distribution deferred pursuant to Condition 4.2 of the Terms and Conditions of the Series 2 Convertible Securities
<b>“ARS”</b>	:	Application and acceptance form for the Series 2 Convertible Securities with Warrants to be issued to a Purchaser in respect of his purchase of Rights traded on the SGX-ST through the book-entry (scripless) settlement system
<b>“ATM”</b>	:	Automated teller machine
<b>“Board of Directors”</b>	:	The board of Directors as at the date of this Offer Information Statement
<b>“Bonus Issue”</b>	:	The bonus issue of Warrants on the basis of one Warrant for every 10 existing Shares held by Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded, on the terms and conditions of this Offer Information Statement
<b>“Bonus Issue Books Closure Date”</b>	:	5.00 p.m. on 6 May 2019, being the time and date at and on which the Register of Members and the Share Transfer Books were closed to determine the entitlements of Bonus Issue Entitled Shareholders under the Bonus Issue
<b>“Bonus Issue Entitled Depositors”</b>	:	Shareholders (a) with Shares standing to the credit of their Securities Accounts as at the Bonus Issue Books Closure Date, and (b) (i) whose registered addresses with CDP are in Singapore as at the Bonus Issue Books Closure Date or (ii) who have, at least three Market Days prior to the Bonus Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents; but excludes Shareholders who are located, resident or who have a registered address in any jurisdiction in which the Bonus Issue may not be lawfully made
<b>“Bonus Issue Entitled Scripholders”</b>	:	Shareholders (a) whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar registrable transfers of their Shares and the certificates relating thereto for registration up to the Bonus Issue Books Closure Date, and (b) (i) whose registered addresses with the Company are in Singapore as at the Bonus Issue Books Closure Date or (ii) who have, at least three Market Days prior to the Bonus Issue Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents; but excludes Shareholders who are located, resident or who have a registered address in any jurisdiction in which the Bonus Issue may not be lawfully made

<b>“Bonus Issue Entitled Shareholders”</b>	:	Bonus Issue Entitled Depositors and Bonus Issue Entitled Scripholders
<b>“Books Closure Date”</b>	:	The Bonus Issue Books Closure Date and/or the Rights Issue Books Closure Date, as the context may require
<b>“Cayman Companies Law”</b>	:	The Companies Law (Revised) of the Cayman Islands, as amended or modified from time to time
<b>“CCSs”</b>	:	Cross-currency swaps
<b>“Closing Date”</b>	:	<p>(a) 5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the latest time and date for acceptance of and/or excess application and payment for the Series 2 Convertible Securities with Warrants under the Rights Issue through CDP or the Share Registrar; or</p> <p>(b) 9.30 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the latest time and date for acceptance of and/or excess application and payment for the Series 2 Convertible Securities with Warrants under the Rights Issue through an ATM of a Participating Bank</p>
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
<b>“Concord Acquisition”</b>	:	Has the meaning ascribed to it in paragraph 5 in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivative Contracts) Regulations 2018 – Part 4 – Key Information – Use of Proceeds from Offer and Expenses Incurred”</b> of this Offer Information Statement
<b>“Controlling Shareholder”</b>	:	A person who: (a) holds directly or indirectly 15.0 per cent. or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company
<b>“Conversion Notice Date”</b>	:	The date on which certain parties to the Deeds of Undertaking and/or their respective subsidiaries and/or nominee(s) exercised their conversion rights in respect of their respective Relevant Series 1 Convertible Securities in accordance with their respective Undertakings to Convert

<b>“Conversion Price”</b>	:	The price at which one Series 2 Convertible Security can be converted into one Conversion Share, initially set as S\$1.30 and subject to adjustments in accordance with the Terms and Conditions of the Series 2 Convertible Securities, further details of which are set out in the Section titled <b>“Summary of the Terms and Conditions of the Series 2 Convertible Securities – Adjustment to the Conversion Price”</b> of this Offer Information Statement
<b>“Conversion Right”</b>	:	The right of a Securityholder to convert his Series 2 Convertible Securities into Conversion Shares in accordance with the Terms and Conditions of the Series 2 Convertible Securities
<b>“Conversion Shares”</b>	:	The new Shares to be allotted and issued by the Company pursuant to the conversion of the Series 2 Convertible Securities in accordance with the Terms and Conditions of the Series 2 Convertible Securities (including additional new Shares that may be allotted and issued pursuant to any adjustments as set out in the Terms and Conditions of the Series 2 Convertible Securities)
<b>“CPF”</b>	:	Central Provident Fund
<b>“Deeds of Undertaking”</b>	:	The deeds of undertaking each dated 25 March 2019, as described in the Section titled <b>“Series 1 Convertible Securities”</b> of this Offer Information Statement
<b>“Deed of Covenant”</b>	:	The deed poll to be executed by the Company in favour of the relevant account holders, from time to time, of CDP in relation to the Series 2 Convertible Securities, as amended, varied or supplemented from time to time
<b>“Deed Poll”</b>	:	The deed poll to be executed by the Company to constitute the Warrants and containing, among others, provisions for the protection of the rights and interests of the Warranholders, as amended, varied or supplemented from time to time
<b>“Depository Agreement”</b>	:	The application form in respect of the Series 2 Convertible Securities to be executed by the Company and to be accepted by CDP together with the terms and conditions for the provision of depository services by CDP referred to therein as amended, varied or supplemented from time to time
<b>“Designated Account”</b>	:	The account with a bank in Singapore maintained and operated by the Company for the purpose of crediting monies paid by exercising Warranholders in satisfaction of the Exercise Price in relation to the exercise of the Warrants by such Warranholders



<b>“Directors”</b>	:	The directors of the Company as at the date of this Offer Information Statement
<b>“Distributions”</b>	:	In relation to the Series 2 Convertible Securities, distributions on the outstanding principal amount of each Series 2 Convertible Security in accordance with the Terms and Conditions of the Series 2 Convertible Securities
<b>“Dresden Acquisition”</b>	:	Has the meaning ascribed to it in paragraph 5 in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivative Contracts) Regulations 2018 – Part 4 – Key Information – Use of Proceeds from Offer and Expenses Incurred”</b> of this Offer Information Statement
<b>“EBITDA”</b>	:	Earnings before interest, taxes, depreciation and amortisation
<b>“Electronic Application”</b>	:	Acceptance of provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants made through (a) an ATM of a Participating Bank or (b) the SGX-SFG Service, as the case may be, in accordance with the terms and conditions contained in this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Rights Issue Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service
<b>“Entitled Shareholders”</b>	:	The Rights Issue Entitled Shareholders and/or the Bonus Issue Entitled Shareholders, as the context may require
<b>“EPS”</b>	:	Earnings per Share
<b>“EU”</b>	:	European Union
<b>“Exercise Price”</b>	:	The price at which one Warrant can be exercised into one Warrant Exercise Share, initially set as S\$1.30 and subject to adjustments in accordance with the Terms and Conditions of the Warrants, further details of which are set out in the Section titled <b>“Summary of the Terms and Conditions of the Warrants – Adjustment”</b> of this Offer Information Statement
<b>“First Announcement”</b>	:	The announcement dated 25 March 2019 made by the Company in relation to the Rights Issue and the Bonus Issue

<b>“Foreign Purchasers”</b>	:	Persons purchasing Rights during the Rights trading period through the book-entry (scripless) settlement system with registered addresses with CDP outside Singapore
<b>“Foreign Shareholders”</b>	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
<b>“Further Securities”</b>	:	Further perpetual securities which may be created and issued by the Company in accordance with Condition 13 of the Terms and Conditions of the Series 2 Convertible Securities
<b>“FY”</b>	:	Financial year ended or, as the case may be, ending, 31 December
<b>“General Share Issue Mandate”</b>	:	The general share issue mandate approved by Shareholders at the 2019 AGM
<b>“Gross Proceeds from the Exercise of the Warrants”</b>	:	The estimated gross proceeds from the exercise of the Warrants, assuming that the maximum number of 193,079,603 Warrants are issued under the Rights Issue and the Bonus Issue, all such Warrants are exercised at the Exercise Price, and no adjustments are made to the Exercise Price and/or the number of Warrants
<b>“Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue”</b>	:	The estimated gross proceeds from the issue of the Series 2 Convertible Securities, assuming that the maximum of S\$147,649,108.10 in aggregate principal amount of Series 2 Convertible Securities is issued pursuant to the Rights Issue at the Issue Price
<b>“Initial Proposed Exercises”</b>		The initial proposed exercises, comprising (a) a proposed renounceable and non-underwritten rights issue of perpetual convertible capital securities with free detachable warrants exercisable into perpetual convertible capital securities and (b) a proposed bonus issue of warrants exercisable into perpetual convertible capital securities, first announced by the Company on 14 February 2019 and in respect of which the Company had, on 18 March 2019, announced its decision not to proceed with
<b>“IRAS”</b>	:	Inland Revenue Authority of Singapore
<b>“Issue Date”</b>	:	The date of issue of the Series 2 Convertible Securities and the Warrants, expected to be 31 May 2019
<b>“Issue Price”</b>	:	100.0 per cent. of the principal amount of the Series 2 Convertible Securities, being S\$1.30 for each Series 2 Convertible Security

<b>“ITA”</b>	:	Income Tax Act, Chapter 134 of Singapore, as amended or modified from time to time
<b>“Junior Obligation”</b>	:	Has the meaning ascribed to it in the Section titled <b>“Summary of the Terms and Conditions of the Series 2 Convertible Securities – Restrictions in the case of Deferral”</b> of this Offer Information Statement
<b>“Latest Practicable Date”</b>	:	30 April 2019, being the latest practicable date prior to the lodgement of this Offer Information Statement
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as amended or modified from time to time
<b>“Manager of the Rights Issue”</b>	:	United Overseas Bank Limited
<b>“Market Day”</b>	:	Has the meaning ascribed to it in the Listing Manual
<b>“Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue”</b>	:	The estimated net proceeds from the issuance of the Series 2 Convertible Securities under the Rights Issue, after deducting professional fees and related expenses estimated to be incurred in connection with the Rights Issue and the Bonus Issue
<b>“Memorandum and Articles of Association”</b>	:	The memorandum and articles of association of the Company, as amended or modified from time to time
<b>“NRIC”</b>	:	National Registration Identity Card
<b>“Offer Information Statement”</b>	:	This document together with (where the context requires) the ARE, the ARS, the PAL and all other accompanying documents (where applicable, including any other supplement or replacement document thereof to be issued by the Company and to be lodged with the Authority in connection with the Rights Issue and/or the Bonus Issue)
<b>“PAL”</b>	:	The provisional allotment letter to be issued to a Rights Issue Entitled Scripholder, setting out the Rights of the Rights Issue Entitled Scripholder under the Rights Issue
<b>“Parity Obligation”</b>	:	Has the meaning ascribed to it in the Section titled <b>“Summary of the Terms and Conditions of the Series 2 Convertible Securities – Restrictions in the case of Deferral”</b> of this Offer Information Statement
<b>“Participating Banks”</b>	:	DBS Bank Ltd. (including POSB) and United Overseas Bank Limited

<b>“PRC”</b>	:	The People’s Republic of China excluding the Special Administrative Regions of Hong Kong and Macau, and Taiwan area for the purposes of this Offer Information Statement
<b>“Product Highlights Sheet”</b>	:	The product highlights sheet prepared by the Company in relation to the Rights Issue and the Bonus Issue, accompanying this Offer Information Statement
<b>“Properties”</b>	:	The properties comprised in the Group’s portfolio (whether held directly or indirectly) located in the Netherlands, Germany, Italy and the PRC
<b>“Purchaser”</b>	:	A purchaser of the Rights
<b>“Register of Members”</b>	:	The register of members of the Company
<b>“Relevant Series 1 Convertible Securities”</b>	:	Has the meaning ascribed to it in the Section titled <b>“Series 1 Convertible Securities”</b> of this Offer Information Statement
<b>“Rights”</b>	:	The “nil-paid” rights (evidenced by the provisional allotments of the Series 2 Convertible Securities with Warrants)
<b>“Rights Issue”</b>	:	The renounceable and non-underwritten rights issue of Series 2 Convertible Securities, with free detachable Warrants, on the basis of: (a) one Series 2 Convertible Security for every seven existing Shares held by Rights Issue Entitled Shareholders as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded; and (b) one Warrant for every one Series 2 Convertible Security validly subscribed for, on the terms and conditions of this Offer Information Statement
<b>“Rights Issue Books Closure Date”</b>	:	5.00 p.m. on 6 May 2019, being the time and date at and on which the Register of Members and the Share Transfer Books were closed to determine the provisional allotments of Rights Issue Entitled Shareholders to the Series 2 Convertible Securities with Warrants under the Rights Issue
<b>“Rights Issue Entitled Depositors”</b>	:	Shareholders (a) with Shares standing to the credit of their Securities Accounts as at the Rights Issue Books Closure Date, and (b) (i) whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or (ii) who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents; but excludes Shareholders who are located, resident or who have a registered address in any jurisdiction in which the Rights Issue may not be lawfully made

<b>“Rights Issue Entitled Scripholders”</b>	:	Shareholders (a) whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar registrable transfers of their Shares and the certificates relating thereto for registration up to the Rights Issue Books Closure Date, and (b) (i) whose registered addresses with the Company are in Singapore as at the Rights Issue Books Closure Date or (ii) who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents; but excludes Shareholders who are located, resident or who have a registered address in any jurisdiction in which the Rights Issue may not be lawfully made
<b>“Rights Issue Undertakings”</b>	:	The undertakings dated 25 March 2019 given by each of the Undertaking Shareholders to the Company in connection with the Rights Issue, details of which are set out in paragraph 1(f) in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue”</b> of this Offer Information Statement
<b>“Rights Issue Entitled Shareholders”</b>	:	Rights Issue Entitled Depositors and Rights Issue Entitled Scripholders
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
<b>“Securities Act”</b>	:	United States Securities Act of 1933, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder
<b>“Securityholder”</b>	:	A person in whose name a Series 2 Convertible Security is registered, except that where the registered holder is CDP, the term <b>“Securityholder”</b> shall, in relation to such Series 2 Convertible Security, mean each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Series 2 Convertible Securities
<b>“Series 1 Convertible Securities”</b>	:	The S\$162,199,110.70 in aggregate principal amount of 3.98 per cent. subordinated perpetual convertible capital securities in the denomination of S\$1.10 for each Series 1 Convertible Security issued by the Company on 19 April 2018 pursuant to the 2018 Rights Issue

<b>“Series 2 Convertible Securities”</b>	:	Up to S\$147,649,108.10 in aggregate principal amount of 3.98 per cent. subordinated perpetual convertible capital securities in the denomination of S\$1.30 for each Series 2 Convertible Security to be issued by the Company pursuant to the Rights Issue
<b>“SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
<b>“SFR”</b>	:	The Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as amended or modified from time to time
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members of the Company except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
<b>“Shares”</b>	:	Ordinary shares with a par value of US\$0.10 each in the capital of the Company
<b>“Share Transfer Books”</b>	:	The share transfer books of the Company
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Account”</b>	:	An account opened by a participant in the SRS
<b>“Substantial Shareholder”</b>	:	A person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that voting share or those voting shares are not less than five per cent. of the total votes attached to all the voting shares in the Company
<b>“Terms and Conditions”</b>	:	The Terms and Conditions of the Series 2 Convertible Securities and/or the Terms and Conditions of the Warrants, as the context may require
<b>“Terms and Conditions of the Series 2 Convertible Securities”</b>	:	The terms and conditions of the Series 2 Convertible Securities to be set out in the Trust Deed, the text of which (subject to completion and amendment) is set out in <b>Appendix A</b> to this Offer Information Statement
<b>“Terms and Conditions of the Warrants”</b>	:	The terms and conditions of the Warrants to be set out in the Deed Poll, the text of which (subject to completion and amendment) is set out in <b>Appendix B</b> to this Offer Information Statement
<b>“Total Proceeds”</b>	:	The Gross Proceeds from the Exercise of the Warrants and the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue

<b>“Trust Deed”</b>	:	The trust deed to be entered into between the Company and the Trustee to constitute the Series 2 Convertible Securities and containing, among others, provisions for the protection of the rights and interests of the Securityholders, as amended, varied or supplemented from time to time
<b>“Undertaking Shareholders”</b>	:	M&C UK, CDTF, FSCL and TTAPL
<b>“Undertakings to Convert”</b>	:	The undertakings to convert in the Deeds of Undertaking, as described in the Section titled <b>“Series 1 Convertible Securities”</b> of this Offer Information Statement
<b>“Unit Share Market”</b>	:	The unit share market of the SGX-ST
<b>“Warrant Agency Agreement”</b>	:	The warrant agency agreement to be entered into amongst (a) the Company, (b) the Warrant Agent and (c) the Share Registrar, in relation to the Warrants, as amended, varied or supplemented from time to time
<b>“Warrant Exercise Shares”</b>	:	The new Shares to be allotted and issued by the Company pursuant to the exercise of the Warrants in accordance with the Terms and Conditions of the Warrants (including additional new Shares that may be allotted and issued pursuant to the exercise of additional Warrants that may be issued pursuant to any adjustments as set out in the Terms and Conditions of the Warrants)
<b>“Warrantholder”</b>	:	The person in whose name a Warrant is registered, except that where the registered holder is CDP, the term <b>“Warrantholder”</b> shall, in relation to such Warrant, mean, where the context requires, a Depositor whose Securities Account with CDP is credited with Warrants
<b>“Warrants”</b>	:	Up to 193,079,603 warrants to be issued in connection with the Rights Issue and the Bonus Issue, and any additional warrants that may be issued pursuant to any adjustments as set out in the Terms and Conditions of the Warrants, each carrying the right to subscribe for one Warrant Exercise Share at the Exercise Price
<b>“per cent.” or “%”</b>	:	Percentage or per centum
<b>“AUD”</b>	:	Australian dollars, the lawful currency of the Commonwealth of Australia
<b>“EUR” or “€”</b>	:	Euro, the lawful currency of the EU
<b>“Renminbi” or “RMB”</b>	:	Renminbi, the lawful currency of the PRC

“S\$” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of Singapore
“US\$”	:	United States dollars, the lawful currency of the United States

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 “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act. The term “**acting in concert**” shall have the meaning ascribed to it in the Code.

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 include corporations.

Any reference in this Offer Information Statement, the Product Highlights Sheet, the ARE, the ARS or the PAL to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Cayman Companies Law, the Companies Act, the Securities Act, the SFA, the SFR, the ITA, the Listing Manual or the Code or any modification thereof and used in this Offer Information Statement, the Product Highlights Sheet, the ARE, the ARS or the PAL shall, where applicable, have the meaning assigned to it under the Cayman Companies Law, Companies Act, the Securities Act, the SFA, the SFR, the ITA, the Listing Manual or the Code or such modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Offer Information Statement, the Product Highlights Sheet, the ARE, the ARS or the PAL shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the Product Highlights Sheet, the ARE, the ARS, the PAL (including but not limited to the Closing Date) shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any discrepancies in figures in this Offer Information Statement and the Product Highlights Sheet between the amounts listed and the totals thereof are due to rounding. Accordingly, the figures shown as totals in this Offer Information Statement and the Product Highlights Sheet may not be an arithmetic aggregation of the figures that precede them.

Certain Chinese names and characters, such as those of PRC entities, properties, cities, governmental authorities, laws, regulations and notices, have been translated into English names. Such translations are provided solely for your convenience, may not have been registered with the relevant PRC authorities and should not be construed as representations that the English names actually represent the Chinese names and characters.

Unless otherwise indicated, Euro amounts in this Offer Information Statement have been translated into Singapore dollars based on the exchange rate of EUR1.00 = S\$1.5262, as quoted by Bloomberg L.P. on the Latest Practicable Date. However, these translations should not be construed as representations that Euro amounts have been, would have been or could be converted into Singapore dollars at this rate or any other rate or at all.

Unless otherwise indicated, Renminbi amounts in this Offer Information Statement have been translated into Singapore dollars based on the exchange rate of S\$1.00 = RMB4.9492, as quoted by Bloomberg L.P. on the Latest Practicable Date. However, these translations should not be construed as representations that Renminbi amounts have been, would have been or could be converted into Singapore dollars at this rate or any other rate or at all.



Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA, to the inclusion of the exchange rates quoted above and is therefore not liable for such information under Sections 253 and 254 of the SFA. While the Directors and the Manager of the Rights Issue have taken reasonable actions to ensure that the above exchange rates have been reproduced in their proper form and context, none of the Directors, the Manager of the Rights Issue or any other party has conducted an independent review of this information or verified the accuracy of the contents of the relevant information.

## GLOSSARY OF PROPERTIES AND TECHNICAL TERMS

This glossary contains an explanation of certain terms used in this Offer Information Statement and the Product Highlights Sheet in connection with the business of the Group. The terms and their assigned meanings may not correspond to standard industry or common meanings, as the case may be, or usage of these terms.

### The PRC

- “Chengdu Cityspring”** : Chengdu Cityspring (成都城市春天), a mixed-use property development comprising residential and commercial buildings (including M Hotel Chengdu), located in Gaoxin District, Chengdu
- “Crowne Plaza Chengdu Wenjiang Hotel”** : Crowne Plaza Chengdu Wenjiang Hotel (成都温江皇冠假日酒店), a 458-room five-star hotel which forms part of the hotel component of the Millennium Waterfront
- “East Sun Portfolio”** : A portfolio of out-dated properties held by East Sun and East Sun No. 1 comprising mainly the Wanli Portfolio and six other core properties consisting of two commercial properties and four industrial properties located in various parts of Dongguan
- “Emerald of the Orient Project”** : Emerald of the Orient (翡翠东望), is a mixed-use development comprising residential and commercial buildings, including approximately 89,500 sq m of office space, residential units and general amenities to be built for the municipal, located in the Nancheng District of Dongguan
- “Holiday Inn Express Chengdu Wenjiang Hotspring Hotel”** : Holiday Inn Express Chengdu Wenjiang Hotspring Hotel (成都温江温泉智选假日酒店), a 150-room three-star hotel which forms part of the hotel component of the Millennium Waterfront
- “M Hotel Chengdu”** : M Hotel Chengdu (成都M酒店), a 196-room four-star hotel component of Chengdu Cityspring
- “Millennium Waterfront”** : Millennium Waterfront (千禧河畔国际社区), a mixed-use property development comprising, among others, residential buildings with ancillary commercial units, commercial buildings and the Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel, located in Wenjiang District, Chengdu
- “Star of East River Project”** : The Star of East River Project (东江之星) is a mixed-use development comprising residential and commercial buildings, located in the Nancheng and Wanjiang Districts of Dongguan

**“Wanli Portfolio”** : A portfolio of out-dated properties comprising four commercial properties and one industrial property located in various parts of Dongguan

### **The Netherlands**

**“Arena Towers”** : Two hotels located at Hoogoorddreef in Amsterdam, namely, the “Holiday Inn Amsterdam”, a 120-room four-star hotel and the “Holiday Inn Express Amsterdam”, a 323-room three-star hotel, with 509 adjoining car park lots

**“Berg & Bosch”** : A cluster of commercial buildings (several of which are national monuments) located at Professor Bronkhorstlaan in Bilthoven, with an aggregate total land area of 415,799 sq m and 627 car park lots

**“Bilderberg Portfolio”** : A portfolio of 11 owned hotels under the “Bilderberg” brand located in Amsterdam, Rotterdam, The Hague, and other cities across the Netherlands. The portfolio is held by the Group via its effective interest of 31.4 per cent. in the ordinary shares of QBN

**“Boompjes” or  
“The Terraced Tower”** : A residential project under development at Boompjes in Rotterdam which is expected to comprise 340 residential units, retail spaces and 212 car park lots

**“Dreeftoren”** : An office building and 207 car park lots located at Haaksbergweg in Amsterdam Southeast

**“Herengracht”** : An office building located at Herengracht in The Hague

**“Hilton Rotterdam Hotel”** : A 254-room five-star hotel located in a prime city centre location of Rotterdam

**“Initial Bilderberg Portfolio”** : The initial portfolio of hotels under the “Bilderberg” brand, comprising 16 owned hotels located in Amsterdam, Rotterdam, The Hague, and other cities across the Netherlands

**“Meerparc”** : Comprises the majority of the apartment rights corresponding to approximately 12,200 sq m of office space, 5,286 sq m of retail/commercial space and 230 car park lots, located in Amsterdam, but excluding 104 sq m of retail/commercial space and 3 car park lots which are owned by a third party

**“Mondriaan Tower”** : An office building and 249 car park lots located at Amstelplein in Amsterdam

**“Munthof”** : An office building and 57 car park lots, located at Reguliersdwarstraat in the Amsterdam city centre

- “Oliphant”** : An office building and over 200 car park lots located at Haaksbergweg in Amsterdam Southeast
- “Poortgebouw Property”** : The 3rd floor up to and including the 9th floor of the Poortgebouw Hoog Catharijne located at Catharijne Esplanade in Utrecht, which is expected to comprise two hotels, namely, the Hampton by Hilton Hotel and Crowne Plaza Hotel, with an estimated 193 and 142 hotel rooms on completion, respectively
- “Villa Nuova”** : An office building and 40 car park lots located at Utrechtseweg, Zeist
- “Zuiderhof I”** : An office building with archive space and 111 car park lots located at Jachthavenweg in Amsterdam

### Germany

- “Le Méridien Frankfurt”** : A 300-room four-star hotel located in Wiesenhüttenplatz and Wiesenhüttenstraße, Frankfurt am Main
- “Westin Bellevue Dresden Hotel”** : A 340-room hotel located at Grosse Meissner Str. 15, 01097 Dresden

### Technical Terms

- “Acquiring Process”** : The process of acquiring a plot of land (土地出让) in the PRC by way of an invitation for bidding (招标), an auction (拍卖) or a listing-for-sale (挂牌)
- “Case 1”** : The claim initiated by the Group in December 2015 in the First Intermediate Shanghai Court against a borrower which had defaulted on an entrusted loan amount of RMB170.0 million bearing an interest of 18.0 per cent. per annum
- “Case 2”** : The claims initiated by the Group in February 2016 in the Shanghai courts against six borrowers which had defaulted on entrusted loans amounting in aggregate to RMB470.0 million at an interest rate ranging from 17.0 per cent. to 17.5 per cent. per annum
- “Construction Land Planning Permit”** : The permit for planning of land for construction use (建设用地规划许可证) as required under PRC laws and regulations
- “Construction Permit”** : The permit for commencement of construction (施工许可证) as required under PRC laws and regulations
- “Construction Project Planning Permit”** : The permit for planning of construction project (建设工程规划许可证) as required under PRC laws and regulations

<b>“Entrusted Loan Agent Banks”</b>	:	In respect of the Group’s property financing business, the PRC-incorporated and licensed financial institutions through which the Group provides entrusted loans to borrowers in the PRC
<b>“GFA”</b>	:	Gross floor area
<b>“Land Use Rights Certificate”</b>	:	The State-owned Land Use Rights Certificate (国有土地使用证)
<b>“pre-sale”</b>	:	Sale of properties under construction prior to the receipt of the construction completion and examination certificate
<b>“Pre-Sale Permit”</b>	:	The permit for pre-completion sale of commodity properties (商品房预售许可证) as required under PRC laws and regulations
<b>“SOHO”</b>	:	Small-office-home-office
<b>“sq m”</b>	:	Square metre
<b>“tier-one cities”</b>	:	For the purposes of this document, “tier-one cities” include cities such as Beijing and Shanghai
<b>“tier-two cities”</b>	:	For the purposes of this document, “tier-two cities” include growth cities such as Chengdu and Dongguan

## SUMMARY OF THE BUSINESS OF THE GROUP

*This is a summary of the business of the Group. This summary does not contain all of the information that may be important to you in respect of the Rights Issue and the Bonus Issue. You should read this entire Offer Information Statement carefully, including the financial statements and related notes appearing elsewhere in this Offer Information Statement, including the Section titled “Risk Factors” of this Offer Information Statement, before making an investment decision.*

The Group is a Singapore-based mixed property developer in the Netherlands and the PRC, owner of commercial properties (including hotels), as well as provider of property financing services mainly in the Netherlands, Germany and the PRC. The Company was listed on the Main Board of the SGX-ST on 22 July 2014 with PRC-centric operations.

Since early 2015, the Group has, either on its own or together with co-investor(s), acquired various properties (including hotels), in the Netherlands for development and income purposes. As at the Latest Practicable Date, the Group holds, either on its own or together with co-investor(s), 16 hotels in the Netherlands, two hotels in Germany and one hotel in Italy, as well as nine office properties in the Netherlands (of which six are in Amsterdam). The Group believes that it is one of the largest hotel owners in the Netherlands with more than 2,000 rooms in the 16 hotels in which it has a direct or indirect interest (through its associated companies) as at the Latest Practicable Date. The Group is also undertaking the redevelopment of a residential building in Rotterdam.

The Group is supported by its established key Controlling Shareholders, the Hong Leong Singapore group of companies, through its shareholding interests in M&C UK, as well as Tai Tak, both of which are well recognised and respected in Asia, including the PRC. As at the Latest Practicable Date, Hong Leong Investment Holdings Pte. Ltd. and Tai Tak are deemed to be interested in 35.9 per cent. and 45.3 per cent. of our Shares, respectively. Their collective business experience and networks in the Netherlands and the PRC have contributed significantly to the Group's growth. For instance, in January 2018, the Group, in partnership with City Developments Limited (which is also part of the Hong Leong Singapore group of companies) and Tai Tak, acquired the Le Méridien Frankfurt. The acquisition marked the Group's first foray into Germany.

### Property Development Business

The Group mainly develops residential and commercial properties (including hotels) in key cities in the Netherlands, including Amsterdam and Rotterdam, as well as in the PRC, namely Chengdu and Dongguan.

In the Netherlands, several of the Group's development projects are at various stages of development. For instance, the residential redevelopment of The Terraced Tower in Rotterdam is undergoing construction. The redevelopment of the Munthof in Amsterdam and the office redevelopment of the Oliphant<sup>(1)</sup> in Amsterdam were completed in January 2019 and February 2019, respectively.

In the PRC, the Group's main ongoing project is the Millennium Waterfront in Wenjiang District, Chengdu. The Group has obtained the relevant construction permits for Plots E and F, the last development plots of the project. Plots E and F of the development have been conceptualised to focus on geriatric care facilities which encompass elderly care living quarters and a hospital with ancillary commercial facilities. In Dongguan, the Group also has a 30.0 per cent. and 20.4 per cent. equity interest in the Star of East River Project and Emerald of the Orient Project, respectively, which are in different stages of development.

## Property Holding Business

The Group owns various commercial properties (including hotels) for income purposes.

The Group's property holding portfolio comprises commercial properties (including hotels) in the Netherlands (including Amsterdam, Rotterdam, Utrecht and The Hague), Frankfurt and Dresden in Germany, Milan in Italy, as well as key "tier-two cities" in the PRC, namely Chengdu and Dongguan. The Group expanded its property holding business to Italy through an acquisition in January 2019 of a vacant six-storey building in Milan, Italy, which will be completely refurbished into a hostel targeting the youth hospitality market.

As at the Latest Practicable Date, the Group holds in its PRC portfolio, for income purposes, Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel including the ancillary hotspring facilities. The Group also holds a 90.0 per cent. equity stake in each of East Sun and East Sun No. 1, which together own the East Sun Portfolio that comprises mainly out-dated commercial and industrial properties in Dongguan that generate recurrent rental income and have redevelopment potential.

Please see **Appendix J** to this Offer Information Statement for more details.

## Property Financing Business

The Group also provides property financing services primarily in the PRC and Europe.

The property financing services in the PRC are provided primarily through entrusted loan arrangements to meet the growing needs of the Group's customers for short-term property financing. Under such arrangements, the Group, as the entrusted party, extends entrusted loans to borrowers, through Entrusted Loan Agent Banks. The entrusted loans to third parties are generally secured by a first legal mortgage of land use rights and/or property, as well as personal guarantees and/or corporate guarantees in favour of the entrusted bank. In addition, the Group extends entrusted loans to parties in which it has an equity interest in and may, from time to time, require security to be provided over such loans. The entrusted loans disbursed are capped at a pre-set loan-to-value ratio of the property collateral. As at 31 December 2018, the Group's total loan portfolio in the PRC amounted to approximately RMB2.8 billion.

In the course of its property development business in the PRC, the Group receives payments from purchasers of units in its developments. The Group may deploy a portion of these sale proceeds to make entrusted loans to borrowers for the period during which the Group does not anticipate the use of these funds for working capital purposes and where the interest rate that the Group charges is higher than the prevailing fixed deposit interest rates. This allows the Group to generate higher interest income.

The Group also provides financial consultancy services to entities which are related to the entities which borrow from the Group under its property financing business, for which the Group charges a fee.

The Group further provides loan financing to the Group's associated companies and joint ventures to finance their property related acquisitions and developments in the PRC and Europe.

In late 2018, the Group and Tai Tak entered into a 50-50 joint venture which disbursed an AUD50.0 million loan secured on a prime property located in Melbourne, Australia.

In FY2018, the Group's property development, property holding and property financing businesses generated revenue of approximately S\$139.4 million, S\$55.7 million and S\$82.3 million, respectively.

## **STRATEGIES AND FUTURE PLANS**

The Group plans to adopt the following strategies to drive its future growth and increase shareholder value.

### **Focus on growing the Group's property development business with selective expansion into growth markets**

By leveraging on its strong management expertise and the extensive business networks of its key Controlling Shareholders, the Group has in recent years expanded its property development business in and beyond the PRC to rebalance its asset allocation and overall business risk amidst economic uncertainties in the global market and challenging headwinds in the PRC market.

For instance, the Group has, through FSMC, a 33.0 per cent.-owned associated company, re-developed The Terraced Tower in Rotterdam from an office building into a residential development which is expected to comprise 340 residential units and retail spaces. This was the Group's maiden entry into the Dutch residential property development market. In January 2019, FSMC completed the redevelopment of the Munthof, an office in the Amsterdam city centre. This redevelopment at the Munthof involved the conversion of certain car park spaces into office space and the addition of an office loft with a high ceiling. The entire office space at the Munthof has been leased out on a long-term basis. In February 2019, through an indirect wholly-owned subsidiary, the Group completed the office redevelopment of the Oliphant<sup>(1)</sup> in Amsterdam Southeast. The Group is also seeking to re-develop two office buildings in Amsterdam, namely, Dreeftoren in Amsterdam Southeast and Meerparc in the Amsterdam South Axis, the central business district of Amsterdam, as well as develop the residential component of the Dreeftoren.

The Group is also exploring potential development opportunities in Dongguan, PRC, including the submission of a bid for a mixed-use development land site located in Dongguan, PRC in the second quarter of 2019. The Group may submit the bid either by itself or through a consortium with other co-investor(s) with a view to the Group being a co-tender party for the land use rights in respect of the land site. The land site is ear-marked for integrated residential and commercial property development. The acquisition of the site is subject to the Acquiring Process. If successful, the Group intends to develop residential units and commercial properties (including retail and office units) on the site. In the event the Group enters into a consortium with other co-investor(s) in connection with the submission of the bid, and the bid is successful, the Group may provide financing to its co-investor(s) for the development of the land site. In addition, the Group may also enter into joint venture agreement(s) with other developer(s) to co-invest and develop other mixed-use development site(s) located in Dongguan, PRC.

The Group strives to acquire new property development sites on a continual but financially prudent basis so as to provide a gradually growing development pipeline for the property development business. The Group intends to continue sourcing for additional sites so that it will be well-placed and ready to capitalise on suitable development opportunities.

### **Develop and grow the Group's portfolio of long-term properties held for income**

The Group's property holding business consists of commercial properties (including hotels) held for rental income, as well as hotels held for operating income. The Group plans to build up its portfolio of long-term properties (which may include other hospitality assets) to generate a stable stream of recurrent income and future capital gain.

In addition to the Group's interests in the East Sun Portfolio in the PRC, the Group owns Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel, both of which had their soft opening in December 2016 and are significant additions to the Group's property holding portfolio.



Since 2015, the Group has progressively acquired and holds interests in various commercial properties (including hotels) in key cities in the Netherlands (such as Amsterdam, Rotterdam, Utrecht and The Hague) and Germany. The Group currently owns 22 properties in its property holding portfolio in Europe of which 19 properties are located in the Netherlands and the remaining properties are located in Germany and Italy.

The Group expects the stable recurrent income from its property holding business to increase as the properties in its portfolio mature and complement the income from its property development business which is more project-driven. These properties may also be a source for potential capital gains in the future.

### **Prudent expansion of the Group's property financing business**

The Group intends to leverage on its healthy financial position and property market knowledge to prudently expand its property financing business in the PRC, Europe and other markets, such as Australia.

The continued scarcity of bank credit extended to PRC property developers and owners has led to an increasing demand for property financing through entrusted loan arrangements. To further capture this market opportunity, the Group plans to increase the aggregate amount of loans which may be advanced by the Group and expand the scale of its property financing operations with particular focus in Shanghai, though the Group may selectively expand its property financing business to other "tier-one cities" in the PRC, as well as other cities in the PRC, such as Chengdu and Dongguan. The Group will continue to extend entrusted loans where there is a reliable valuation of the property collateral and at an appropriate loan-to-value margin for risk management purposes.

In addition, where it is appropriate and commercially viable to do so, the Group intends to continue providing financing to its associated companies and joint ventures to finance their property related acquisitions and developments in Europe.

#### **Note:**

- (1) The Group is considering the sale of the Oliphant to FSMC to generate development profit while retaining a meaningful stake for future capital appreciation and recurrent income. Until such time, the Oliphant will continue to be classified under the Group's property development business.

## SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement (in particular, the Sections titled “**Summary of the Terms and Conditions of the Series 2 Convertible Securities**” and “**Summary of the Terms and Conditions of the Warrants**” of this Offer Information Statement, as well as the Terms and Conditions of the Series 2 Convertible Securities and the Terms and Conditions of the Warrants as set out in **Appendices A and B**, respectively, to this Offer Information Statement) and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of Provisional Allotments of the Series 2 Convertible Securities : The Rights Issue will be made on a renounceable basis to Rights Issue Entitled Shareholders on the basis of one Series 2 Convertible Security for every seven existing Shares held by Rights Issue Entitled Shareholders as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.

The Series 2 Convertible Securities will be constituted by the Trust Deed, which will set out the Terms and Conditions of the Series 2 Convertible Securities and which may from time to time be amended, modified or supplemented in accordance with its terms.

Issue Size of the Series 2 Convertible Securities : Up to S\$147,649,108.10<sup>(1)</sup> in aggregate principal amount of Series 2 Convertible Securities.

Basis of Provisional Allotments of the Warrants : One Warrant to be issued free for each Series 2 Convertible Security validly subscribed for.

The Warrants will be constituted by the Deed Poll, which will set out the Terms and Conditions of the Warrants and which may from time to time be amended, modified or supplemented in accordance with its terms.

Issue Size of the Warrants under the Rights Issue : Subject to adjustments to the number of Warrants (as set out in the Terms and Conditions of the Warrants), up to 113,576,237<sup>(1)</sup> Warrants.

Detachability : The Warrants issued under the Rights Issue will on issue be detached from the Series 2 Convertible Securities, and will trade separately on the Main Board of the SGX-ST.

Eligibility to Participate : Please refer to the Section titled “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement.

Undertakings in connection with the Rights Issue	:	Please refer to paragraph 1(f) in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue”</b> of this Offer Information Statement for details of the Undertakings provided by M&C UK, FSCL, TTAPL and CDTF in connection with the Rights Issue.
Rationale of the Rights Issue	:	The Company is undertaking the Rights Issue to provide the Company with the financial flexibility to fund its expansion plans. To incentivise Shareholders to subscribe for the Series 2 Convertible Securities, the Company will issue one free detachable Warrant for each Series 2 Convertible Security validly subscribed for under the Rights Issue. The exercise of the Warrants, if any, will raise further funds for the Company.
Estimated Proceeds from the Rights Issue	:	Please refer to paragraph 2 in the Section titled <b>“Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Use of Proceeds from Offer and Expenses Incurred”</b> of this Offer Information Statement for details.

**Note:**

- (1) The actual principal amount of Series 2 Convertible Securities and the actual number of Warrants which are issued under the Rights Issue may be lower, depending on the level of subscription.

## SUMMARY OF THE BONUS ISSUE

The following is a summary of the principal terms and conditions of the Bonus Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement (in particular, the Section titled “**Summary of the Terms and Conditions of the Warrants**” of this Offer Information Statement, as well as the Terms and Conditions of the Warrants as set out in **Appendix B** to this Offer Information Statement) and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of Allotment of Warrants under the Bonus Issue : The Bonus Issue will be made to Bonus Issue Entitled Shareholders on the basis of one Warrant for every 10 existing Shares held by Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded.

The Warrants will be constituted by the Deed Poll, which will set out the Terms and Conditions of the Warrants and which may from time to time be amended, modified or supplemented in accordance with its terms.

Issue Size of the Warrants under the Bonus Issue : Subject to adjustments to the number of Warrants (as set out in the Terms and Conditions of the Warrants), up to 79,503,366<sup>(1)</sup> Warrants.

Eligibility to Participate : Please refer to the Section titled “**Eligibility of Shareholders to Participate in the Bonus Issue**” of this Offer Information Statement.

Rationale of the Bonus Issue : By undertaking the Bonus Issue and issuing Warrants for the Series 2 Convertible Securities validly subscribed for under the Rights Issue, Warranholders who are confident of the future prospects of the Company will be given the opportunity to increase their investment in the Company during the Exercise Period (as defined herein) by exercising the Warrants for Warrant Exercise Shares. The exercise of the Warrants, if any, will also raise further funds for the Company.

Use of Proceeds from the Bonus Issue : Please refer to paragraph 3 in the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Use of Proceeds from Offer and Expenses Incurred**” of this Offer Information Statement for details.

### Note:

(1) As Foreign Shareholders will not be allowed to participate in the Bonus Issue, no Warrants will be issued to them under the Bonus Issue. Accordingly, the actual number of Warrants that are issued under the Bonus Issue may be lower.

## SERIES 1 CONVERTIBLE SECURITIES

On 19 April 2018, the Company issued S\$162,199,110.70 in aggregate principal amount of Series 1 Convertible Securities in the denomination of S\$1.10 for each Series 1 Convertible Security pursuant to the 2018 Rights Issue.

To demonstrate their intention to maximise their entitlements under the Rights Issue and the Bonus Issue and, in support of the Rights Issue and the Bonus Issue, certain parties executed deeds of undertaking each dated 25 March 2019 (the “**Deeds of Undertaking**”).

For the parties set out below, the Deeds of Undertaking comprised undertakings (the “**Undertakings to Convert**”) to, and/or to procure that their respective subsidiaries and/or nominee(s) will:

- (a) remain as registered holder(s) of their respective Series 1 Convertible Securities from the date of their respective Deed of Undertaking up to the Conversion Notice Date (as defined herein); and
- (b) exercise their conversion rights in respect of their respective Series 1 Convertible Securities listed below after the release of the First Announcement and, in any event, no later than the date falling five business days after the date of receipt of the AIP (and, the date on which these persons and/or their respective subsidiaries and/or nominee(s) exercise their conversion rights shall be the “**Conversion Notice Date**”).

In accordance with their respective Undertakings to Convert, in early April 2019, the following persons exercised their conversion rights in respect of their respective Series 1 Convertible Securities listed below.

	<b>Number of Series 1 Convertible Securities converted (collectively, the “Relevant Series 1 Convertible Securities”)</b>
<b>Directors</b>	
Mr. Ho Han Leong Calvin	425,000
Mr. Ho Han Khoon	225,000
Mr. Neo Teck Pheng	3,363,000
Mr. Yee Chia Hsing	100,000
Ms. Ting Ping Ee, Joan Maria	25,000
<b>Executive officers of the Group (other than Directors)</b>	
Mr. Shu Zhen	3,685,805
Ms. Lee Sau Hun	225,000
<b>Shareholders (other than Directors and executive officers of the Group)</b>	
RHRL <sup>(1)</sup>	46,965,615
MCHIL <sup>(1)</sup>	5,898,579
TTAPL	65,173,697
CDTF	1,142,550
<b>Total</b>	<b>127,229,246</b>

**Note:**

- (1) Pursuant to M&C UK’s Deed of Undertaking, M&C UK undertook to procure that its wholly-owned subsidiaries, RHRL and MCHIL, among other things, would exercise their conversion rights in respect of their respective Series 1 Convertible Securities.

Following the conversion of the Relevant Series 1 Convertible Securities into Shares at the conversion price of S\$1.10, the entitlements of these persons under the Rights Issue and the Bonus Issue have increased. The shareholding interests of these persons after the conversion of the Relevant Series 1 Convertible Securities and as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest <sup>(8)</sup>	
	Number of Shares	% of Issued Shares	Number of Shares	% of Issued Shares
<b>Directors</b>				
Mr. Ho Han Leong Calvin <sup>(1)</sup>	3,025,000	0.38	359,597,537	45.26
Mr. Ho Han Khoon <sup>(2)</sup>	1,575,000	0.20	286,764,270	36.10
Mr. Neo Teck Pheng <sup>(3)</sup>	3,363,000	0.42	301,561,470	37.96
Mr. Yee Chia Hsing	320,000	0.04	–	–
Ms. Ting Ping Ee, Joan Maria	135,000	0.02	–	–
<b>Executive officers of the Group (other than Directors)</b>				
Mr. Shu Zhen <sup>(4)</sup>	–	–	15,963,579	2.01
Ms. Lee Sau Hun	1,215,000	0.15	–	–
<b>Shareholders (other than Directors and executive officers of the Group)</b>				
RHRL	253,614,321	31.92	–	–
MCHIL <sup>(5)</sup>	31,852,326	4.01	253,614,321	31.92
TTAPL <sup>(6)</sup>	65,173,697	8.20	294,423,840	37.06
CDTF <sup>(7)</sup>	–	–	7,659,570	0.96

**Notes:**

- (1) Mr. Ho Han Leong Calvin, the Company's Non-Executive Chairman, is treated as having an interest under Section 4 of the SFA in (a) the Shares held directly by FSCL, (b) the Shares held directly by TTAPL and in which TTAPL is treated as having an interest under Section 4 of the SFA, (c) the Shares in which CDTF is treated as having an interest under Section 4 of the SFA, which are 286,764,270 Shares, 359,597,537 Shares and 7,659,570 Shares, respectively. These three entities are entities in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof. Please refer to notes 6 and 7 below for the details on the Shares in which TTAPL and CDTF are treated as having an interest under Section 4 of the SFA. He is also treated as having an interest in the Shares held indirectly by Tai Tak Industries, Tai Tak, SG Investments, FSML and TTPA, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares of these entities thereof.
- (2) Mr. Ho Han Khoon, the alternate director to Mr. Ho Han Leong Calvin, the Company's Non-Executive Chairman, is treated as having an interest under Section 4 of the SFA in the Shares held directly by FSCL and indirectly by FSML and TTPA, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof, which is 286,764,270 Shares.
- (3) Mr. Neo Teck Pheng, the Group Chief Executive Officer and Executive Director, is treated as having an interest under Section 4 of the SFA in the Shares held directly by FSCL, Ararat Holdings Limited and Magnificent Opportunity Limited, which are 286,764,270 Shares, 7,663,700 Shares and 7,133,500 Shares, respectively. These three entities are entities in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof. He is also treated as having an interest under Section 4 of the SFA in the Shares held indirectly by FSML, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (4) Mr. Shu Zhen, the Chief Executive Officer, Guangdong Operations, is treated as having an interest under Section 4 of the SFA in the Shares held by (a) him via DBS Nominees Pte Ltd and (b) RLIHL via DBS Nominees Pte Ltd, which are 233,500 Shares and 15,730,079 Shares, respectively. Mr. Shu Zhen owns 100.0 per cent. of the issued share capital of RLIHL. RLIHL has pledged 8,929,068 Shares to DBS Bank Ltd. as security for a loan.

- (5) MCHIL is treated as having an interest under Section 4 of the SFA in the Shares held indirectly by MCHIPL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof, which is 253,614,321 Shares.
- (6) TTAPL is treated as having an interest under Section 4 of the SFA in (a) the Shares held by FSCL directly and (b) the Shares in which CDTF is treated as having an interest under Section 4 of the SFA, which are 286,764,270 Shares and 7,659,570 Shares, respectively. TTAPL is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares of FSCL and CDTF. Please refer to Note 7 below for the details on the Shares in which CDTF is treated as having an interest under Section 4 of the SFA.
- (7) CDTF is treated as having an interest under Section 4 of the SFA in the Shares it holds via DBS Vickers Securities (S) Pte Ltd, which is 7,659,570 Shares.
- (8) For the purposes of this table, a “deemed interest” refers to an interest in the Shares under Section 4 of the SFA (other than a direct interest in the Shares).

As at the Latest Practicable Date, S\$1,966,913.30 in aggregate principal amount of Series 1 Convertible Securities or less than 1.3 per cent. of the initial issue size of the Series 1 Convertible Securities remains outstanding. No adjustments are required to be made to the conversion price of the Series 1 Convertible Securities arising from the Rights Issue and the Bonus Issue.

#### Redemption of the Series 1 Convertible Securities after the Rights Issue and the Bonus Issue

As announced by the Company via the SGXNET on 3 May 2019, the Company will be redeeming all, and not some only, of the outstanding Series 1 Convertible Securities on 14 June 2019. Holders of the Series 1 Convertible Securities are reminded that they shall have up to (and including) the close of business on 7 June 2019 to exercise their right to convert their Series 1 Convertible Securities into Shares.

## SUMMARY OF THE TERMS AND CONDITIONS OF THE SERIES 2 CONVERTIBLE SECURITIES

The following is a summary of the principal terms and conditions of the Series 2 Convertible Securities and is derived from, and should be read in conjunction with the Terms and Conditions of the Series 2 Convertible Securities as set out in **Appendix A** to this Offer Information Statement and is qualified in its entirety by reference to information appearing therein.

Issue Price of the Series 2 Convertible Securities : 100.0 per cent. of the principal amount of the Series 2 Convertible Securities at S\$1.30 for each Series 2 Convertible Security.

Issue Size : Up to S\$147,649,108.10<sup>(1)</sup> in aggregate principal amount of Series 2 Convertible Securities.

Maturity Date : The Series 2 Convertible Securities are perpetual securities in respect of which there is no fixed redemption date.

Distributions : Each Series 2 Convertible Security confers a right to receive distributions on its outstanding principal amount ("**Distributions**") from (and including) the Issue Date.

Subject to "**Optional Deferral of Distributions**" below and unless otherwise provided in the Terms and Conditions of the Series 2 Convertible Securities, Distributions shall be payable on the Series 2 Convertible Securities at the Distribution Rate (as defined herein) semi-annually in arrear and on the dates falling on 1 January and 1 July in each year (each a "**Distribution Payment Date**").

Distribution Rate : The rate of Distributions (the "**Distribution Rate**") applicable to the Series 2 Convertible Securities shall be 3.98 per cent. per annum and shall be calculated on the principal amount of S\$1.30 for each Series 2 Convertible Security.

Optional Deferral of Distributions : The Company may, at its sole discretion, elect to defer any Distribution, in whole or in part, which is otherwise scheduled to be paid on a Distribution Payment Date by giving notice (an "**Optional Deferral Notice**") of such election to the Trustee, the Agents and the Securityholders not more than 15 nor less than five business days prior to a scheduled Distribution Payment Date. Each Optional Deferral Notice shall be conclusive and binding on the Securityholders. Any such deferral shall not constitute a default for any purpose on the part of the Company.



Arrears of Distribution : Any Distribution deferred shall constitute “**Arrears of Distribution**”. The Company may, at its sole discretion, elect to further defer any Arrears of Distribution by complying with the notice requirement applicable to any deferral of an accrued Distribution. The Company is not subject to any limit as to the number of times Distributions and Arrears of Distribution can be deferred except that “**Restrictions in the case of Deferral**” below shall be complied with until all outstanding Arrears of Distribution have been paid in full.

In any event, no interest on any Arrears of Distribution will be payable to Securityholders.

Restrictions in the case of Deferral : If on any Distribution Payment Date, payment of Distributions (including Arrears of Distribution) scheduled to be made on such date is not made in full, the Company shall not:

- (a) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Company’s Junior Obligations or (except on a *pro rata* basis with the Series 2 Convertible Securities) any of the Company’s Parity Obligations; or
- (b) redeem, reduce, cancel, buy-back or acquire for any consideration, any of the Company’s Junior Obligations or (except on a *pro rata* basis with the Series 2 Convertible Securities) any of the Company’s Parity Obligations,

in each case, other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, officers, directors or consultants of the Company or (ii) as a result of the exchange or conversion of the Company’s Parity Obligations for the Company’s Junior Obligations unless and until (A) the Company has satisfied in full all outstanding Arrears of Distribution or (B) the Company is permitted to do so by a resolution passed at a meeting of Securityholders duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast.

Where:

- (a) “**Junior Obligation**” means any ordinary shares of the Company and any class of the Company’s share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the Company that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Series 2 Convertible Securities; and
- (b) “**Parity Obligation**” means any instrument or security (other than shares) issued, entered into or guaranteed by the Company (i) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Series 2 Convertible Securities and (ii) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Company and/or, in the case of an instrument or security guaranteed by the Company, the issuer thereof.

Extinction of Arrears of Distribution upon exercise of Conversion Right

: Any Arrears of Distribution due in respect of a Series 2 Convertible Security shall be extinguished by the Company in full through the delivery by the Company of the Conversion Shares upon the exercise of the Securityholder’s Conversion Right in respect of such Series 2 Convertible Security. Upon compliance in full of the requirement under the Terms and Conditions of the Series 2 Convertible Securities to deliver the Conversion Shares, the Company shall have no liability to pay the Arrears of Distribution due in respect of the converted Series 2 Convertible Security and no converting Securityholder shall have any claim in respect of such Arrears of Distribution.

Conversion Terms

: Securityholders will have the right to convert their Series 2 Convertible Securities into Conversion Shares, at the Conversion Price, credited as fully paid (“**Conversion Right**”), at any time on or after the 41st day (expected to be 11 July 2019) after the Issue Date subject to the Terms and Conditions of the Series 2 Convertible Securities.

The number of Conversion Shares to be issued on the conversion of each Series 2 Convertible Security will be determined by dividing the principal amount of the Series 2 Convertible Security to be converted by the Conversion Price in effect at the relevant conversion date. If more than one Series 2 Convertible Security held by the same Securityholder is converted at any one time, the number of Conversion Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Series 2 Convertible Securities to be converted and rounded down to the nearest whole number of Conversion Shares. Fractions of Conversion Shares will not be issued on conversion and no cash payment or other adjustment will be made in lieu thereof.

Conversion Price : Subject to adjustments to the Conversion Price (as set out in the Terms and Conditions of the Series 2 Convertible Securities) referred to in “**Adjustment to the Conversion Price**” below and provided always that the Conversion Price shall not be less than the nominal or par value of a Share, the price at which one Series 2 Convertible Security will be converted into one Conversion Share (the “**Conversion Price**”) shall initially be S\$1.30. The initial Conversion Price of S\$1.30 represents a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which trades were done in the Shares prior to the release of the First Announcement and a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date.

For the avoidance of doubt, no further cash outlay will be required from the Securityholders for the conversion of the Series 2 Convertible Securities into Conversion Shares.

Adjustment to the Conversion Price : The Conversion Price will be subject to adjustments under certain circumstances, including, without limitation, the following:

- (a) consolidation or subdivision of Shares;
- (b) capitalisation of profits or reserves;
- (c) capital distribution (excluding cash dividends);
- (d) rights issues of Shares or options over Shares at less than 95 per cent. of the market price (excluding for the avoidance of doubt, the current Rights Issue);
- (e) rights issues of other securities;
- (f) issues of Shares or other securities at less than 95 per cent. of the market price;

- (g) other issues by the Company or any other person (at the direction or request of or pursuant to any arrangements with the Company) of other securities at less than 95 per cent. of the market price;
- (h) modifications of rights of conversion, exchange or subscription attaching to any such securities referred to in sub-paragraph (g) above such that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the market price;
- (i) issues of securities in connection with an offer to holders of at least 60 per cent. of the Shares outstanding (at the time such offer is made) and there is no adjustment carried out under other provisions of the Terms and Conditions of the Series 2 Convertible Securities; and
- (j) in events or circumstances not otherwise provided in the Terms and Conditions of the Series 2 Convertible Securities, subject to, among other things, the use by the Company of an independent financial adviser to determine if such adjustment is fair and reasonable,

provided always that no adjustment shall be made to the Conversion Price on the issuances of, *inter alia*, the Warrants, the Warrant Exercise Shares, the Conversion Shares and any Further Securities.

Form and Denomination : The Series 2 Convertible Securities will be issued in registered form and in the specified denomination of S\$1.30 each and integral multiples thereof and will initially be represented by a global certificate registered in the name of, and deposited with, CDP.

Except in the limited circumstances described in the provisions of the global certificate representing the Series 2 Convertible Securities, owners of interests in the Series 2 Convertible Securities represented by such global certificate will not be entitled to receive definitive security certificates in respect of their individual holdings of the Series 2 Convertible Securities. The Series 2 Convertible Securities which are represented by such global certificate will be transferable only in accordance with the rules and procedures for the time being of CDP.

Status of the Series 2 Convertible Securities : The Series 2 Convertible Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Company.

Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Company, the rights of the Securityholders to payment of the principal amount of the relevant Series 2 Convertible Security together with accrued and unpaid Distributions (including any unpaid Arrears of Distribution) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least *pari passu* with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Series 2 Convertible Securities, but always in priority to the claims of Shareholders.

- No Set-Off : Subject to applicable law, no Securityholder may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Company in respect of, arising under or in connection with the Series 2 Convertible Securities, and each Securityholder shall, by virtue of his holding of any Series 2 Convertible Securities, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Company. If at any time any Securityholder receives payment or benefit of any amount in respect of the Series 2 Convertible Securities (including any benefit received pursuant to any set-off, deduction, withholding or retention) other than in accordance with the Terms and Conditions of the Series 2 Convertible Securities, the payment of such amount or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Securityholder shall immediately pay an amount equal to the amount of such discharge to the Company (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Company) and, until such time as payment is made, shall hold such amount in trust for the Company (or the liquidator or, as appropriate, administrator of the Company) and accordingly any such discharge shall be deemed not to have taken place.
- Ranking of the Conversion Shares : The Conversion Shares shall be issued free from all claims, mortgages, charges, liens and other encumbrances whatsoever and will upon allotment and issue rank *pari passu* in all respects with the then existing Shares, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Conversion Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any dividends, rights, allocations or distributions the record date or other due date for the establishment of entitlement for which falls prior to the relevant conversion date.

- Redemption at the Option of the Company : The Company may, at its option, at any time on or after the date (expected to be 30 November 2019) falling six months from the Issue Date, on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, redeem all or some of the Series 2 Convertible Securities at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, in the manner set out in the Terms and Conditions of the Series 2 Convertible Securities.
- Redemption for Taxation Reasons : The Series 2 Convertible Securities may be redeemed at the option of the Company in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if:
- (a) the Company receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:
    - (i) the Series 2 Convertible Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the Income Tax Act, Chapter 134 of Singapore ("ITA"), and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or
    - (ii) the Distributions (including any Arrears of Distribution) will not be regarded as interest payable by the Company for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or
  - (b) (i) the Company has or will become obliged to pay additional amounts as provided or referred to in the Terms and Conditions of the Series 2 Convertible Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax;

- (ii) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued, becomes effective or is made public otherwise on or after the Issue Date; and
- (iii) such obligations cannot be avoided by the Company taking reasonable measures available to it (which shall not require the Company to incur unreasonable costs),

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Series 2 Convertible Securities then due,

(each, a “**Taxation Event**”).

Redemption for  
Accounting Reasons

: The Series 2 Convertible Securities may be redeemed at the option of the Company in whole or in part, at any time on giving not less than 30 nor more than 60 days’ irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if, as a result of any changes or amendments to the International Financial Reporting Standards (“**IFRS**”) or any other accounting standards that may replace IFRS or otherwise adopted by the Company for the purposes of the consolidated financial statements of the Company (the “**Relevant Accounting Standard**”), the Series 2 Convertible Securities will not or will no longer be recorded as “equity” of the Company pursuant to the Relevant Accounting Standard.

Redemption for Tax  
Deductibility

: The Series 2 Convertible Securities may be redeemed at the option of the Company in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if:

(a) the Company receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the Distributions (including any Arrears of Distribution) will not be regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA; or

(b) as a result of:

(i) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having the power to tax;

(ii) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued, becomes effective or is made public otherwise on or after the Issue Date; or

(iii) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced before the Issue Date,

the Distributions (including any Arrears of Distribution) by the Company are no longer, or would no longer be, regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA,

(each, a "Tax Deductibility Event").



Redemption in the case of Minimal Outstanding Amount	:	The Series 2 Convertible Securities may be redeemed at the option of the Company in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption if, before giving such notice, the aggregate principal amount of the Series 2 Convertible Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued (including any Further Securities issued).
Clearing and Settlement	:	The Series 2 Convertible Securities will be cleared through CDP and represented by a global certificate registered in the name of, and deposited with, CDP as authorised depository.
Listing of the Series 2 Convertible Securities and the Conversion Shares	:	<p>Approval in-principle has been obtained from the SGX-ST for the dealing in, listing of, and quotation for, <i>inter alia</i>, up to 113,749,959 Series 2 Convertible Securities to be issued pursuant to the Rights Issue and up to 113,749,959 Conversion Shares on the Official List of the SGX-ST, subject to certain conditions.</p> <p>In the event that there are adjustments to the Conversion Price which would require additional Conversion Shares to be issued in accordance with the Terms and Conditions of the Series 2 Convertible Securities, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such Conversion Shares on the Official List of the SGX-ST at the relevant time.</p> <p>The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Company and/or its subsidiaries.</p>
Trading	:	Upon the listing of and quotation for the Series 2 Convertible Securities and Conversion Shares on the SGX-ST, the Series 2 Convertible Securities and Conversion Shares, when issued, will be traded on the SGX-ST under the book-entry (scripless) settlement system. The Series 2 Convertible Securities may also be traded over-the-counter on the Debt Securities Clearing and Settlement System. All dealings in and transactions (including transfers) of the Series 2 Convertible Securities and Conversion Shares effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" and (in the case of the Series 2 Convertible Securities) the Depository Agreement.

For the purposes of trading on the Main Board of the SGX-ST, each board lot of Series 2 Convertible Securities will comprise 100 Series 2 Convertible Securities with a principal amount of S\$130 and each board lot of Conversion Shares will comprise 100 Shares. Holders who hold odd lots of Series 2 Convertible Securities (that is, lots other than board lots of 100 Series 2 Convertible Securities with a principal amount of S\$130) or 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 S\$1.30 in principal amount of Series 2 Convertible Securities and odd lots of Shares in board lots of one Share on the Unit Share Market. Holders who hold odd lots of Series 2 Convertible Securities or Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Series 2 Convertible Securities or Shares, as the case may be.

Taxation : All payments of principal and Distributions (including any Arrears of Distribution) by or on behalf of the Company in respect of the Series 2 Convertible Securities shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Company shall pay such additional amounts as will result in the receipt by the Securityholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Series 2 Convertible Security presented for payment in certain circumstances as set out in the Terms and Conditions of the Series 2 Convertible Securities.

Please refer to the Section titled “**Taxation**” of this Offer Information Statement for details.

Risk Factors : Investing in the Series 2 Convertible Securities involves risks.

Please refer to the Section titled “**Risk Factors**” of this Offer Information Statement for details.

Governing Law : Laws of Singapore (except for “**Status of the Series 2 Convertible Securities**” and “**No Set-Off**” which are governed by laws of the Cayman Islands).

**Note:**

(1) The actual principal amount of Series 2 Convertible Securities which are issued may be lower, depending on the level of subscription.

## SUMMARY OF THE TERMS AND CONDITIONS OF THE WARRANTS

The following is a summary of the principal terms and conditions of the Warrants and is derived from, and should be read in conjunction with, the Terms and Conditions of the Warrants as set out in **Appendix B** to this Offer Information Statement and is qualified in its entirety by reference to information appearing therein.

- Issue Price of the Warrants : The Warrants do not have an issue price. The Warrants will be issued free on the basis of one Warrant for each Series 2 Convertible Security validly subscribed for under the Rights Issue and on the basis of one Warrant for every 10 existing Shares held by the Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded, under the Bonus Issue.
- Issue Size : Subject to adjustments to the number of Warrants (as set out in the Terms and Conditions of the Warrants), up to 193,079,603<sup>(1)</sup> Warrants, comprising up to 113,576,237<sup>(1)</sup> Warrants under the Rights Issue and up to 79,503,366<sup>(1)</sup> Warrants under the Bonus Issue.
- Exercise Price of the Warrants : Subject to adjustments to the Exercise Price (as set out in the Terms and Conditions of the Warrants) referred to in “**Adjustment**” below, the initial price payable for each Warrant Exercise Share upon the exercise of a Warrant (the “**Exercise Price**”) is S\$1.30, payable in full upon exercise of the Warrant and which represents a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which trades were done in the Shares prior to the release of the First Announcement and a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date.
- Exercise Period : Each Warrantholder will have the right, by way of exercise of each Warrant, to subscribe for one Warrant Exercise Share at the Exercise Price within the period (the “**Exercise Period**”) commencing on (and including) the date of issue of the Warrants and expiring at 5.00 p.m. on the day immediately preceding 60 months from the date of issue of the Warrants, unless such date is a date on which the Register of Members, the Share Transfer Books, the register of Warrantholders of the Company (the “**Register of Warrantholders**”) and/or the Depository Register (as the case may be) is closed, and/or is not a Market Day, in which event, the last day of the Exercise Period shall be the immediate preceding Market Day on which the Register of Members, the Share Transfer Books, the Register of Warrantholders and/or the Depository Register (as the case may be) remain open or the immediate preceding Market Day, as the case may be, subject to the Terms and Conditions of the Warrants. At the expiry of the Exercise Period, any Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

Adjustment	:	<p>The Exercise Price and/or the number of Warrants shall from time to time be adjusted in accordance with the Terms and Conditions of the Warrants as set out in the Deed Poll. Subject to the Terms and Conditions of the Warrants, such circumstances include:</p> <ul style="list-style-type: none"> <li>(a) any consolidation or subdivision of the Shares;</li> <li>(b) capitalisation of profits or reserves;</li> <li>(c) capital distribution;</li> <li>(d) rights issues of Shares or options over Shares at less than 95 per cent. of the market price (excluding for the avoidance of doubt, the current Rights Issue); and</li> <li>(e) an issue of Shares (other than a rights issue requiring an adjustment under sub-paragraph (d) above and an issue of Shares to members of the Company who elect to receive Shares in lieu of cash as dividend) if the total effective consideration for each Share is less than 90 per cent. of the market price for each Share,</li> </ul> <p>provided always that the Exercise Price shall not be less than the nominal or par value of a Share.</p> <p>Any additional Warrants issued pursuant to such adjustment shall rank <i>pari passu</i> with the Warrants and will for all purposes form part of the same series of Warrants constituted by the Deed Poll. Any such adjustments will be announced by the Company via an announcement on SGXNET in compliance with the Listing Manual.</p>
Form	:	<p>The Warrants will be issued in registered form and will be constituted by the Deed Poll.</p>
Listing of the Warrants and the Warrant Exercise Shares	:	<p>Approval in-principle has been obtained from the SGX-ST for the dealing in, listing of, and quotation for, <i>inter alia</i>, up to 193,374,930 Warrants to be issued pursuant to the Rights Issue and the Bonus Issue and up to 193,374,930 Warrant Exercise Shares on the Official List of the SGX-ST, subject to certain conditions.</p> <p>In the event that there are adjustments to the number of Warrants which would require additional Warrants and/or Warrant Exercise Shares (as the case may be) to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such additional Warrants and/or Warrant Exercise Shares on the Official List of the SGX-ST at the relevant time.</p> <p>The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Bonus Issue, the Company and/or its subsidiaries.</p>

Trading : Each board lot of Warrants will consist of 100 Warrants. Shareholders should note that in the event of an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, the Warrants may not be listed and quoted on the Official List of the SGX-ST.

Upon the listing of and quotation for the Warrants and the Warrant Exercise Shares on the Official List of the SGX-ST, the Warrants and the Warrant Exercise Shares, when issued, will be traded on the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Warrants and the Warrant Exercise Shares effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited” and (in the case of the Warrants) the “Terms and Conditions for the Central Depository (Pte) Limited to act as Depository for the Warrants”, as the same may be amended from time to time.

Winding-up : In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to its members give notice thereof to the Warranholders and thereupon, each Warranholder shall be entitled to exercise all or any of his Warrants at any time not later than two business days prior to the proposed general meeting in accordance with the Terms and Conditions of the Warrants whereupon the Company shall, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Warrant Exercise Shares to the Warranholder credited as fully paid.

If a resolution is passed for a members’ voluntary winding-up of the Company, then if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warranholders, or some person designated by them for such purpose by Extraordinary Resolution (as defined in the Deed Poll), shall be a party, the terms of such scheme of arrangement shall be binding on all the Warranholders.

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

Notice of Expiry : The Company shall, no later than one month before the expiry of the Exercise Period, (a) give notice to the Warranholders of the expiry of the Exercise Period in accordance with the Terms and Conditions of the Warrants as set out in the Deed Poll and make an announcement of the same to the SGX-ST and (b) take reasonable steps to despatch to the Warranholders notices in writing to their addresses recorded in the Register of Warranholders or the Depository Register, as the case may be, of the expiry of the Exercise Period.

Governing Law : Laws of Singapore

**Note:**

- (1) As Foreign Shareholders will not be allowed to participate in the Bonus Issue, no Warrants will be issued to them. Accordingly, the actual number of Warrants that are issued under the Bonus Issue may be lower. In addition, the actual number of Warrants that are issued under the Rights Issue may be lower, depending on the level of subscription.

## INDICATIVE TIMETABLE

The timetable below lists certain important dates and times relating to the Rights Issue and the Bonus Issue. All dates and times referred to below are Singapore dates and times.

Last date for Shares to trade “cum-rights” to the Rights Issue and the Bonus Issue	:	Thursday, 2 May 2019
First date for Shares to trade “ex-rights” to the Rights Issue and the Bonus Issue	:	Friday, 3 May 2019
Books Closure Date	:	Monday, 6 May 2019 at 5.00 p.m.
Lodgement of this Offer Information Statement, the Product Highlights Sheet and accompanying application forms with the Authority	:	Tuesday, 7 May 2019
Despatch of this Offer Information Statement (together with the Product Highlights Sheet, the ARE and the PAL, as applicable) to Entitled Shareholders	:	Thursday, 9 May 2019
Commencement of trading of Rights	:	Thursday, 9 May 2019 from 9.00 a.m.
First date and time for acceptance of and payment for the Series 2 Convertible Securities with Warrants and/or applications for excess Series 2 Convertible Securities with Warrants <sup>(1)</sup>	:	Thursday, 9 May 2019 (9.00 a.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for splitting and trading of Rights <sup>(1)</sup>	:	Friday, 17 May 2019 at 5.00 p.m.
Last date and time for acceptance of and payment for the Series 2 Convertible Securities with Warrants and/or applications for excess Series 2 Convertible Securities with Warrants <sup>(1)</sup>	:	Friday, 24 May 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for the Series 2 Convertible Securities with Warrants by renounees <sup>(1)</sup>	:	Friday, 24 May 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Expected date for issuance of Series 2 Convertible Securities and the Warrants under the Rights Issue and the Bonus Issue	:	Friday, 31 May 2019
Expected date for crediting of Series 2 Convertible Securities and the Warrants issued under the Rights Issue and the Bonus Issue	:	Monday, 3 June 2019

Expected date for refund of unsuccessful applications (if made through CDP) : Monday, 3 June 2019

Expected date for commencement of trading of the Series 2 Convertible Securities and the Warrants issued under the Rights Issue and the Bonus Issue on the SGX-ST : Tuesday, 4 June 2019

**Note:**

- (1) This does not apply to SRS investors and investors who hold Shares through a finance company and/or Depository Agent. SRS investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the Section titled "**Important Notice**" of this Offer Information Statement. Any application made by these investors directly through CDP, Electronic Applications through ATMs of the Participating Banks, the Share Registrar and/or the Company will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved banks in which they hold their SRS Accounts, finance companies and/or Depository Agents and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved banks in which they hold their SRS Accounts, finance companies and/or Depository Agents.

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Manager of the Rights Issue and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.



## RISK FACTORS

*To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors in making an informed judgment on the Rights Issue and the Bonus Issue are set out below. Prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before making an investment decision. The Group may be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following considerations and uncertainties develops into actual events, the business, financial conditions or results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares could decline and a prospective investor may lose all or part of his investment.*

*This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. See the Section titled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement.*

*The Terms and Conditions of the Series 2 Convertible Securities, the Terms and Conditions of the Warrants, the Trust Deed and the Deed Poll (as the case may be) will prevail to the extent of any inconsistency with the information set out in the Sections titled "**Risk Factors – Risks Associated with the Series 2 Convertible Securities**" and "**Risk Factors – Risks Associated with the Warrants**" of this Offer Information Statement.*

### GENERAL RISKS RELATING TO THE GROUP'S BUSINESSES

***The Group is dependent on the performance of property markets which are cyclical in nature***

The Group's property development and property holding businesses are dependent on the performance of and the cyclical nature of the property markets, especially in markets where the Properties are located.

The Group's key property development projects are generally located in Amsterdam and Rotterdam in the Netherlands, as well as Chengdu in Sichuan province and Dongguan in Guangdong province in the PRC. The Group's key Properties under the property holding business are generally located in the Netherlands (including Amsterdam, Rotterdam, Utrecht and The Hague), in Germany (namely in Frankfurt and Dresden) and in the PRC (namely, Chengdu and Dongguan). Accordingly, the Group's property development and property holding businesses are dependent on the performance and growth of the property markets in the Netherlands, Germany and the PRC and, in particular, Amsterdam, Rotterdam, Utrecht, The Hague, Frankfurt, Dresden, Chengdu and Dongguan (collectively, the "**Key Cities**") which are in turn cyclical in nature and may be adversely affected by economic, political, social and regulatory factors. These factors include, among others, the regional and local economic climate, local property conditions and perceptions of property purchasers with respect to the convenience and attractiveness of the development, competition from other developments, changes in market rates for comparable sales and increased business and operating costs. For example, any of the aforementioned factors may have an adverse effect on the demand and the selling prices of the Group's property development projects, thereby materially and adversely affecting the Group's business, operations, results of operations, financial position and prospects.

The Group is therefore vulnerable to any downturn in the property markets in the jurisdictions where the Properties are located, including in the Netherlands, Germany and the PRC and, in particular, the Key Cities. The cyclical nature of the residential and commercial property markets in the Netherlands, Germany and the PRC and, in particular, the Key Cities are primarily due to changes in the supply and demand of such properties. There can be no assurance that any measures which the Group may take to mitigate the adverse effects of the cyclical nature of the residential and commercial property markets in the Netherlands, Germany and the PRC and, in particular, the Key Cities, on the Group's business will be successful. A downturn in the property market in the Netherlands, Germany and the PRC and, in particular, the Key Cities, may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may be adversely affected by economic and real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the real estate markets), political or constitutional instability, conflicts and/or crises, as well as changes in regulatory, fiscal and other governmental policies in Europe and/or the PRC***

A substantial portion of the Group's portfolio is, and future properties will be, located in Europe and the PRC. As a result, a substantial portion of the Group's revenue is currently derived from properties located in Europe and the PRC and the results of operations depend upon the performance of Europe and the PRC. A downturn in the economies of Europe and/or the PRC, or the impact that an economic decline in Europe and/or the PRC, could result in reduced demand for office, commercial and/or residential space and in turn adversely affect the Group's business, operations, results of operations, financial position and prospects.

In addition, Europe's and the PRC's economies are affected by global economic and political conditions. For instance, it is unclear how the Brexit situation in Europe would affect the fiscal, monetary and regulatory landscape within the United Kingdom and Europe. Similarly, the PRC's economic growth may also slow down due to weakened exports as well as recent developments arising from the trade disputes with the United States. Global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. These events could adversely affect the Group as they could result in:

- a negative impact on the ability of tenants to pay their rents in a timely manner or continue their leases, thus reducing the Group's cash flow;
- a decline in the demand for leased space for office and commercial purposes across Europe and/or the PRC and the rents that can be charged when leases are renewed or new leases entered into, as compared to rents that are currently charged;
- a decline in the market values of the Properties in the Group's portfolio; and/or
- an increase in counterparty risk (being the risk of monetary loss which the Group may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction).

There is also uncertainty as to the potential for slowdown in consumer demand, the impact of any global downturn on Europe and/or the PRC and the impact of political or constitutional instability, conflicts and/or crises in any European countries and/or the PRC. These could contribute to an economic decline in Europe and/or the PRC, which may adversely affect the Group's business, operations, results of operations, financial position and prospects.

Further, the Group and the Properties will be subject to real estate laws, regulations and policies of European jurisdictions, as well as the PRC in which the Properties are located. Measures and policies adopted by European and/or the PRC governments and regulatory authorities at national, state or local levels, such as government control over property investments or foreign exchange regulations, may adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The appraised value of the Group's property portfolio and the properties over which the Group has secured mortgages in connection with its property financing business may be different from their actual realisable value and is subject to change***

The appraised value of the Group's property portfolio, as well as the properties over which the Group has secured mortgages in connection with its property financing business, is based on various assumptions that may be inherently subjective or uncertain.

The assumptions on which the appraised value of the properties are based include the following:

- in relation to the Group's property portfolio, as well as the properties over which the Group has secured mortgages in connection with its property financing business (the "**Mortgaged Properties**"), in the PRC, and unless otherwise stated, the transferable land use rights of the properties for their respective terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid;
- information and advice regarding the title to each of the Group's property portfolio, as well as the Mortgaged Properties and the interests of the Group in such properties relied on by the Group are accurate;
- the Group, and the entities through which the Group makes its investments, as the case may be, have enforceable title to each of the properties in the Group's property portfolio and the Mortgaged Properties, and have free and uninterrupted rights to use, occupy or assign such properties for the whole of the respective outstanding land use term as having been granted, or the term of the lease, as the case may be;
- unless otherwise stated, each of the properties in the Group's property portfolio, and the Mortgaged Properties, is free from encumbrances, restrictions and outgoings of any onerous nature which could affect their respective values;
- no allowance has been made for any charges, mortgages or amount owing on the properties in the Group's property portfolio, and the Mortgaged Properties, nor any expenses or taxation which may be incurred in effecting a sale; and
- estimated price inflations or deflations by special terms or circumstances such as a typical financing, sale and leaseback arrangement, special considerations or concessions granted by any party associated with the sale or any element of special value have been excluded.

Therefore, the appraised value of the Group's property portfolio and the Mortgaged Properties should not be taken as their actual realisable value or a forecast of their realisable value.

Unforeseeable changes to the development of the Group's property portfolio as well as national and local economic conditions may affect the value of the Properties. Furthermore, fair value gains on investment properties which the Group holds for income that are included in the Group's consolidated income statements reflect unrealised capital gains in the estimated fair value of such properties at the relevant reporting dates and do not generate any actual cash inflow to the Group unless and until such properties are sold at or above such estimated values. Favourable or unfavourable changes in the assumptions of market conditions used would result in changes to the fair value of the Group's investment properties which it holds for income and corresponding

adjustments to the amount of gains or losses reported in the Company's consolidated income statements in the future. Accordingly, the occurrence of any of the aforementioned events may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may not be able to identify and acquire suitable land sites for future developments at commercially acceptable prices or complete the acquisitions of land sites for its proposed pipeline***

In respect of the Group's property development and holding business, it may not be able to identify and acquire suitable land sites at commercially acceptable prices for development and/or income purposes.

The Group believes that it needs to continuously identify and acquire suitable land sites for future development in order to sustain the growth of the Group's property development and property holding businesses. The Group's ability to acquire land use rights, or land sites, as the case may be, as well as the corresponding acquisition costs of such land use rights or land sites depend on factors beyond the Group's control, such as government policies with respect to land supply, development, pricing, as well as competition posed by other property developers. For instance, in the Netherlands and the PRC, the supply of land is largely controlled by the relevant government authorities.

Although the Group has previously been able to acquire suitable land use rights or land sites at commercially acceptable prices, there can be no assurance that it will continue to be able to do so, or at all. For instance, although the Group intends, either on its own or together with co-investor(s) through a consortium, to submit a bid for a mixed-use development land site located in Dongguan, PRC in the second quarter of 2019, there is no assurance that the Group would be successful in acquiring the site for development on terms that are favourable to the Group, or at all. In the event that the Group is unable to identify and acquire suitable land use rights or land sites at commercially acceptable prices for future development, its business, operations, results of operations, financial position and prospects may be adversely affected.

***The due diligence investigations on the Properties and/or the entities through which the Group had acquired its interests in a number of the Properties may not have identified all defects, breaches of laws and regulations and other deficiencies***

Although the Directors believe that reasonable due diligence investigations have been conducted with respect to the Properties as well as the corporate entities through which the Group had acquired its interests in a number of the Properties (the "**Corporate Entities**"), there can be no assurance that the Group's due diligence, surveys or inspections (or the relevant review, due diligence or inspection reports on which the Group has relied upon) would have revealed all defects or deficiencies affecting the Properties that the Group has interests in or manages, including to the title thereof, and/or that the Corporate Entities do not have any significant unidentified liabilities or obligations or operational deficiencies (including debt or trade payables and/or unknown or defective contracts).

In particular, there can be no assurance as to the absence of latent or undiscovered defects, deficiencies or inaccuracies in such reviews, surveys or inspections. Design, construction or other latent property or equipment defects in the Properties may require it to incur additional capital expenditure, repair or maintenance expenses, or the payment of damages or other obligations to third parties. Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable levels of expenditure which may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

In the event that there are a significant number of claims or a claim for a significant amount made against the Group arising from statutory or contractual representations, warranties and indemnities it has provided to purchasers, the Group may have to incur significant expenditure and costs in defending such claims. Such litigation could harm the Group's reputation and materially and adversely affect its business, operations, results of operation, financial position and prospects.

Furthermore, laws and regulations (including those in relation to the Properties) may have been breached and certain regulatory requirements in relation to the Group's property development projects in the Netherlands and the PRC may not have been complied with, which the Group's due diligence investigations may not have been able to uncover. As a result, the Group may incur financial or other obligations in relation to such breaches or non-compliance which could materially and adversely affect its business, operations, results of operations, financial position and prospects.

***The Group may not be able to control or exercise any influence over investment entities, future joint venture partners or the Properties***

Several of the Properties, such as those comprised in the Bilderberg Portfolio in the Netherlands, the Le Méridien Frankfurt in Germany, and the Star of the East River Project and Emerald of the Orient Project in the PRC, are not wholly-owned, directly or indirectly by the Group. The Group may also, in the course of future acquisitions, acquire minority interests in investment entities. Accordingly, the Group does not or, as the case may be, may not in the future, have unfettered discretion to deal with such Properties.

Should any disagreements arise between the Group and its future joint venture partners regarding the business and operations of any future joint ventures, there can be no assurance that it will be able to resolve them in a timely manner and in a manner that will be in the Group's best interest. In particular, the Group's future joint venture partners may (a) have economic or business interests or goals that are inconsistent with those of the Group, (b) be unable or unwilling to fulfil their obligations, (c) have financial difficulties, and/or (d) have disputes with the Group as to the scope of their responsibilities and obligations.

Furthermore, there can be no assurance that the Group will be able to control such entities or exercise any influence over the assets held by such entities or their distributions to the Group. Such entities may develop objectives which are different from those of the Group and may not be able to make distributions to the Group at levels that the Group anticipates. The management of such entities may also make decisions which could adversely affect the operations of the Group.

Any of these and other factors may materially and adversely affect the performance of its future joint ventures, which may in turn materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group incurs substantial capital outlay for land acquisitions and construction activities***

The Group is engaged in the development of residential and commercial properties. The Group's property developments require substantial capital outlay for land acquisition and for the construction of its properties. It may take more than one year from the time a suitable land site has been acquired before positive operating cash flows are generated through pre-sale or sale proceeds derived from the Group's property developments.

The Group's developments differ in size and scale, and the time taken to complete such property developments may take several years. Accordingly, there may be a mismatch of cash flow, between the time the Group incurs its capital outlay and the time of the receipt of its pre-sale or sale proceeds.

In order to finance the capital outlay required in connection with the Group's operations, it relies largely on internal resources, pre-sale proceeds from its ongoing property development projects, existing facilities from banks and financial institutions, as well as funds raised by the Company in the equity and/or debt capital markets.

Although the Group has obtained financing support and has been able to rely on its internal resources as well as pre-sale proceeds from its ongoing property development projects to fund its other projects, there can be no assurance that the Group will be able to continue to obtain or rely on such financing support, internal resources and pre-sale proceeds in the future. As such, in the event that the Group is unable to obtain the required financing and does not have sufficient cash flow to fund its projects and/or working capital requirements, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may be adversely affected by increasing competition***

The property development industries in Europe and the PRC are rapidly evolving. This is apparent from the competition posed by existing property developers, as well as the emergence of new players in the property development industry. As such, the Group may have to compete with new players when acquiring land sites for development in suitable locations and at commercially acceptable prices. As certain of these property developers, including overseas listed foreign developers and top-tier domestic property developers, are more established than the Group and may have greater brand recognition, financial, technical, marketing and other resources, they may be able to operate more successfully than the Group. If the Group is unable to compete effectively, its business, operations, results of operations, financial position and prospects could be materially and adversely affected.

Furthermore, the increased competition amongst property developers in Europe and the PRC may also result in, among others, increased land acquisition costs, the Group being outbid during the tender process or the Acquiring Process when tendering for land sites in Europe or the PRC, as the case may be, over-supply of properties in Europe or the PRC, as the case may be, downward pressure on property prices caused by factors including the lowering of prices in the Group's competitors' developments which are located in the vicinity of the Group's developments, additional requirements in the approval and review of new property developments by the relevant government authorities, increased construction costs and difficulty in obtaining high quality contractors and qualified employees. An occurrence of any of such factors, either individually or in aggregate, may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

As the Group's property holding business currently includes hospitality assets, the Group also faces competition in the hospitality industry. The level of competition in the Netherlands, Germany, as well as Chengdu, where the Group's hospitality assets operate is affected by various factors, including changes in economic conditions, both locally and regionally, changes in the local and regional population, the supply and demand for hotel rooms, changes in travel patterns and preferences, and an increase in the supply of hotels in these jurisdictions. In addition, there can be no assurance that new or existing competitors will not offer significantly lower room rates than the Group's room rates, offer greater convenience services or amenities or significantly expand or improve their facilities in these jurisdictions, thereby adversely affecting the demand for the Group's hotel rooms.

In addition, the financing industry in which the Group operates its property financing business is highly fragmented and very competitive. The Group believes that the market will become more competitive as the financing industry matures and consolidates. The Group competes with other secured financing providers as well as banks and other financial institutions. Several of the Group's competitors have larger and more established customer bases and substantially greater financial, marketing and other resources than the Group. As the Group's property financing business is significantly dependent on the interest rates it offers to the borrowers, and given that

the Group is not the only player in the property financing market in the PRC, there can be no assurance that entities which are also engaged in the property financing business will not offer significantly lower interest rates than the Group's interest rates. If the Group does not successfully compete against other secured financing providers, banks and financial institutions, its business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may suffer losses as a result of foreign currency fluctuations***

The Group is exposed to volatility of the RMB due to its operations in the PRC. Any depreciation in the RMB against the Singapore dollar will adversely affect the Group's earnings, net assets, the value of any dividends it pays to its Shareholders in Singapore dollars or require the Group to use more RMB funds to service any Singapore dollar-denominated debt. Fluctuations in RMB exchange rates are affected by, among others, changes in political and economic conditions and the PRC's foreign exchange regime and policy.

Since the Group's entry into the European property market in February 2015, the Group has hedged its exposure to the EUR by financing all its acquisitions with a combination of EUR-denominated borrowings and/or financial derivatives involving CCSs and foreign currency swaps ("**FCSs**"), the result of which is to achieve a corresponding EUR liability. The Group takes an economic hedge rather than an accounting hedge approach with regard to the management of its exposure to assets in Europe.

In late 2018, the Group and Tai Tak entered into a 50-50 joint venture which disbursed an AUD50.0 million loan secured on a prime property located in Australia and the Group fully hedged its AUD cost base.

As at 31 December 2018, the Group had 14 CCSs and one FCS with aggregate notional amounts of EUR477.5 million and AUD10.0 million, as the case may be. The cumulative positive impact to the retained earnings arising from such financial derivatives and underlying EUR-denominated assets as at 31 December 2018 was approximately S\$2.7 million.

The Group does not currently have a formal hedging policy with respect to its foreign exchange exposure to RMB and has not used any financial hedging instruments to actively manage its RMB foreign exchange risk. It will continue to monitor its foreign exchange exposure and take appropriate actions when necessary. The cost of entering into such hedging instruments to manage the Group's exposure to RMB remains fairly significant. There is no assurance as to the effectiveness and success of any hedging action that the Group might or might not take.

***The Group is dependent upon its experienced and established management team***

The Group's success to date has been largely attributable to the contributions of its management team guided by its Board. The Group's management team has been instrumental in formulating and implementing its business strategy, corporate development, sales and marketing strategies and overall management of the Group.

The Group's management team also possesses an extensive business network, the necessary experience and requisite market knowledge. The Group's continued success is highly dependent on its ability to retain the services of the management team. The Group does not have any key management insurance to mitigate the potential adverse effects on its business that may be caused by the loss of the services of key members of the Group's management team. As such, the loss of the services of the Group's management team without timely or suitable replacements, or at all, may lead to the loss or deterioration of management capability and important business relations which may have a material and adverse impact on the Group's business, operations, results of operations, financial position and prospects.

***The Group may not have sufficient insurance coverage against potential losses and claims arising from its operations and certain events***

Currently, in the Netherlands and the PRC in which the Group primarily operates, there are no stipulated regulations that require entities of the Group to take up any specific insurance before being allowed to operate, except for motor vehicle insurance and employee-related social insurance such as elderly, medical and work injury insurance, which the Group has purchased accordingly.

In respect of the Group's property development entities operating in the PRC, other than the aforementioned insurance coverage, the Group's property development entities have taken up construction all risk insurance to cover the risks associated with the Group's property development projects during the construction phase as well as loss and damage of construction materials or machinery brought to the construction sites by the main contractors. In addition, the Group has requested the main contractors engaged by it for the construction of its property development projects to take up employee-related social insurance such as elderly, medical and work injury insurance, and they are contractually obliged, at the Group's request, to take up such employee-related social injury insurance before the commencement of construction.

In the Netherlands, the Group has required the main contractors engaged by it for the construction of its property development projects to take up professional indemnity insurance coverage for risks associated with third party claims. In addition, the Group has taken up or required its contractors to take up construction all risk insurance which provides coverage for risks associated with construction including damages to the works which may arise during construction.

In respect of the Group's property holding entities, other than the aforementioned insurance coverage, for the Group's Properties in Europe and the PRC, the Group has purchased property insurance including fire insurance for the Properties which the Group holds for income. Such property insurance coverage has, as far as practicable, been extended to include losses and damage arising from earthquakes, typhoons, labour strikes, floods and other natural disasters. The Properties in Europe are insured against earthquakes, storms, labour strikes, riots and floods. However, the Group's office properties in the Netherlands, together with Arena Towers and Hilton Rotterdam Hotel, are insured against storms, labour strikes and riots but not earthquakes and floods. Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel have also procured insurance coverage for machinery breakdown, public liability, employer liability and cash and cash in transit.

The Group will continue to monitor the property insurance coverage of properties acquired as part of its property holding business in other regions beyond the Netherlands, Germany, Italy and the PRC as the Group continues to explore opportunities for growth and expansion of its property holding business in markets other than these, as advised by their local property managers and with reference to typical property insurance of similar buildings within close proximity.

In respect of the Group's property financing business in the PRC, the Group provides entrusted loans through Entrusted Loan Agent Banks. Except for the property insurance that the Group's borrowers are typically required to purchase in respect of mortgaged property as required by their respective Entrusted Loan Agent Banks, no other insurance coverage has been taken up.

Notwithstanding that the relevant insurance coverage as set out above has been obtained, the Group may still be susceptible to losses and incur liabilities arising from any unforeseeable events, such as the collapse of a building or fire occurring at the Group's project sites, and the Group's inability to ensure that the main contractors will comply with the insurance coverage requirements imposed on them under the construction contracts that the Group has entered into with these parties. Insurance against earthquakes, typhoons, floods (in particular, in the Netherlands), labour strikes and other natural disasters has not been taken up in respect of the



Group's Properties under development in the Netherlands and the PRC. In addition, the Group's office properties in the Netherlands, together with Arena Towers and Hilton Rotterdam Hotel, are not insured against earthquakes and floods. The Group's property and casualty insurance policies for its properties do not currently cover acts of war, intentional or dishonest acts, nuclear reaction or radio-active contamination, asbestos contamination or other long-term environmental impairments. The examples set out above do not purport to be an exhaustive set of policy coverage exclusions.

Further, should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property and any financial obligation secured by such property may be accelerated. There is no assurance that material losses in excess of insurance proceeds will not occur. Accordingly, any future losses, damages or liabilities incurred as a result of the aforementioned events, which are not adequately covered by the Group's insurance, could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group's business may be adversely affected by natural disasters, the occurrence of epidemics and other acts of God***

Natural disasters, epidemics and other acts of God which are beyond the Group's control may adversely affect the economy, infrastructure and livelihood of the people in Europe and the PRC and other parts of the world in which the Group operates. Regions in which the Group operates in may, from time to time, be affected by floods, earthquakes, rainstorms or droughts. For instance, the Properties situated in Sichuan province are susceptible to floods, earthquakes and/or any other calamities. Although the Group has not previously suffered any material damage or significant liabilities arising from floods, earthquakes or other calamities, there can be no assurance that this will continue to be the case. The occurrence of such natural calamities in the regions where the Properties are located could adversely affect its businesses in such regions. In addition, such events could also delay the Group's property completion schedule or result in damage to its properties under development, the properties it holds for income as well as properties over which the Group has secured mortgages in connection with its property financing business. Any significant disruption in the supply of public utilities or the occurrence of fire, flood or other calamities could also result in an interruption to, delay in, or require the Group to cease, its operations. It is possible that this could result in additional expenditure which may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

In addition, past occurrences of epidemics, depending on their scale, have had varying degrees of impact on the national and local economies in the regions in which the Group operates. A recurrence of Severe Acute Respiratory Syndrome ("SARS") or Middle East Respiratory Syndrome ("MERS") or an outbreak of any other epidemics, including the spread of viruses such as Ebola, H7N9 avian influenza virus and H1N1 swine influenza virus, especially in the regions in which the Group operates, may materially and adversely affect its business, operations, results of operations, financial position and prospects.

***The Group may from time to time be involved in legal and other proceedings, including those initiated by an independent third party, arising from its operations which could result in damage to the Group's reputation and loss of customer goodwill***

The Group may, from time to time, be involved in disputes with various parties, such as contractors, sub-contractors, suppliers, construction companies, purchasers of the Group's properties, lessees and borrowers. These disputes may result in legal and other proceedings and may cause the Group to suffer costs and delays as well as divert its resources and management's attention and time away from its business and operations.

For instance, in respect of the property located at Corso Buenos Aires No. 33 in Milan, Italy, which was acquired by FS Milan from BNP Paribas, acting as management company of the Italian real estate close-ended alternative investment fund, “Fondo Kona” (the “**Seller**”) in January 2019, there is an ongoing litigation between a former tenant of the property (the “**Ex-Tenant**”) and the Seller in the courts of Milan. The Ex-Tenant has alleged that (a) a preliminary sale and purchase agreement in relation to the property exists between the Seller and the Ex-Tenant and (b) the Seller is obliged, but has failed, to execute the sale and purchase agreement to sell the property to the Ex-Tenant.

The Ex-Tenant has sought a court ruling in order to declare, *inter alia*, the existence of such preliminary sale and purchase agreement and to give effect to the sale of the property to the Ex-Tenant. As far as the Company is aware, the Ex-Tenant alleged that the Seller had agreed to sell the property to it for EUR6.1 million. Under the terms of the sale and purchase agreement entered into between FS Milan and the Seller, the Seller has undertaken to transfer to FS Milan the entire price actually paid by the Ex-Tenant for the purchase of the property in the unlikely event that the Ex-Tenant succeeds in the litigation.

At a court hearing held in March 2019, the Seller and the Ex-Tenant were directed to file the final defence and reply briefs by 27 May 2019 and 17 June 2019, respectively. The judge is expected to issue the decision after considering the final defence and reply briefs. The Group understands that the decision would likely be issued in July or September 2020. Assuming that appeals are made up to the Supreme Court in Italy, the litigation process may take up to approximately eight years. There is no assurance that the Seller will succeed in the litigation or that the Ex-Tenant will not bring collateral actions against the property that may affect the possession and/or use of the property by the Group. There is also no assurance that FS Milan will be able to recover all losses and liabilities arising from the proceedings, in particular, the price paid for the property and the cost and expenses that may be suffered by it should the Ex-Tenant succeed in the litigation under the insurance policy taken up by FS Milan.

With regard to its property financing business and, in respect of Case 1, the Group had, in December 2015, initiated a claim against a borrower which had defaulted on an entrusted loan of RMB170.0 million with an interest rate of 18.0 per cent. per annum. The First Intermediate Shanghai Court ruled that the borrower is required to pay the Group the outstanding principal on the loan as well as penalty interest at the rates of (a) 24.0 per cent. per annum for the period from 22 December 2015 up to 4 August 2016 and (b) 30.4 per cent. per annum for the period from 5 August 2016 up to the date of full payment. Following the final ruling in December 2018 by the First Intermediate Shanghai Court dismissing the appeal by the borrower’s legal representative in respect of criminal cases involving the borrower’s legal representative, the auction process in respect of the relevant mortgaged properties is expected to commence in 2019. The First Intermediate Shanghai Court has completed its assessment of the borrower’s assets, which it valued at approximately RMB332.3 million. The Group intends to apply to the First Intermediate Shanghai Court for a determination of priorities to such assets. This process is expected to commence sometime in 2019. However, there is no assurance that the Group will be able to recover the full amount of the outstanding principal and interest on the loan, or at all. In particular, and after taking into account the public interest arising from the above-mentioned criminal cases, the Group may have to accept a lower interest entitlement.

Please see paragraph 8(f) in the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Information on the Relevant Entity**” of this Offer Information Statement for further details.

The Group may also from time to time in the course of its operations be involved in investigations undertaken by various regulatory bodies, which may result in administrative proceedings and unfavourable decisions being taken against the Group. In such an event, the progress of

development and/or construction of the Group's projects may be delayed and the Group may as a result suffer financial losses which will in turn materially and adversely affect its business, operations, results of operations, financial position and prospects.

The Group typically engages independent third party property management companies as property managers of its completed developments. Accordingly, should there be any allegations by customers who have purchased units in its developments of fraud, negligence, wilful default, breach of applicable laws or regulations or breach of the terms of the agreements under which such property management companies provide their management services for the Group's developments against these property management companies, the Group's reputation may be adversely affected. This may affect the sale of the Group's future property developments and may also expose the Group to potential liability, which may consequently result in a material and adverse effect on its business, operations, results of operations, financial position and prospects.

In respect of the Group's property financing business, in the event any receivables become bad or doubtful, the Group may need to commence enforcement proceedings against the asset which had been secured as collateral by the Borrower to the Entrusted Loan Agent Bank in an entrusted loan arrangement. This process may be time consuming and the outcome may be unfavourable to the Group. Accordingly, the Group may be unable to enforce its collateral rights, which may adversely affect its business, operations, results of operations, financial position and prospects.

The increase of negative public awareness of such disputes, allegations or legal proceedings would also affect the Group's reputation in the markets where it operates. Accordingly, this could adversely impact the Group through the loss of goodwill with its customer base and as a result of which, the Group's customers may choose its competitors for their property developments, hotels, investment properties and/or property financing.

***The Group may suffer disruptions to its business and operations if any legal representatives of its PRC subsidiaries or joint venture entities or any managing directors of its general partner or subsidiaries in Germany performs any unauthorised acts or enters into any unauthorised transactions which are detrimental to the Group***

Each of the legal representatives of the Group's PRC subsidiaries may also serve as an executive director of these entities. These legal representatives have broad powers and responsibilities which include determining the operational and investment plans of the entity, and developing plans with respect to mergers, divisions, dissolutions or changes in corporate structure.

In April 2010, the Group, through several PRC entities (all but one of which are no longer subsidiaries of the Group), commenced legal proceedings against Mr. Cheung Ping Kwong, who was the then chief executive officer and legal representative of a majority of the PRC entities for, among others, unlawfully taking unilateral control of the company seals and other corporate documents (including permits and licences) of all the entities comprised by First Sponsor Guangdong and its subsidiaries (the "**FSG Group**") as well as two related companies of First Sponsor Guangdong (together with the FSG Group, the "**FSG Entities**"). In addition, Mr. Cheung had also, among others, (a) terminated the employment of FSCL's various appointees in First Sponsor Guangdong without proper authority, (b) denied the Group access to the accounts of the FSG Entities, (c) disposed of the equity interest in several entities within the Group which held properties and certain biological assets including trees and plants in the PRC, including the Group's 80.0 per cent. equity interest in Dongguan Huiying Consultancy Management Limited (东莞慧盈咨询管理有限公司) (which owned two adjoining plots of land in Humen Town, Dongguan, for the proposed development of a mixed-use project (the "**Interest in Humen Property**") and the Group's 85.0 per cent. interest in another entity which then owned two plots of land in Huizhou, Guangdong province (the "**Huizhou Interest**") and (d) acquired an interest in an entity in Dongguan (the "**Dongguan Entity**") and certain land and properties in Xi'an, Shaanxi province (the "**Xi'an Property**") without proper authorisation.

By April 2010, Mr. Cheung was removed from all his positions within the FSG Entities due to the actions he had undertaken without proper authorisation.

In December 2010, settlement agreements were entered into between (a) M&C NZ and a subsidiary of Tai Tak, as well as (b) Mr. Cheung and Guangdong Huiying Group Limited pursuant to which, among others, (i) Mr. Cheung transferred his 20.0 per cent. shareholding interest in the Company to FSCL, (ii) the FSG Group re-acquired the Interest in Humen Property and the Huizhou Interest and (iii) the interests in the Dongguan Entity and the Xi'an Property were disposed of (the "**Settlement Agreements**").

In accordance with the Settlement Agreements, all legal proceedings by and against Mr. Cheung were withdrawn.

The Group has adopted a policy to govern any change in the legal representatives of its key PRC subsidiaries whereby the legal representative of each of its key PRC subsidiaries should not be resident in the PRC to make it more difficult for the legal representative to have access to the company seals which are kept in the PRC. However, there can be no assurance that such measures will be adequate in preventing a similar occurrence of the Group's legal representatives taking unilateral control of the company seals or other corporate documents, which are in fact placed under dual control (excluding the legal representatives), or entering into any unauthorised transactions on behalf of the Group's PRC subsidiaries.

In addition, the managing directors of the Group's general partners and subsidiaries in Germany have vis-à-vis third parties broad powers which can be exercised singly and without consultation with other managing directors. For instance, FSCT1, a limited partnership established under the laws of Germany, through which the Le Méridien Frankfurt was acquired, is managed by its general partner through its two managing directors. The managing directors are responsible for determining the operational and investment plans of FSCT1. Subject to the provisions of the limited partnership agreement and the articles of association of the general partner, which bind the managing directors internally vis-à-vis FSCT1 and its partners, each managing director has vis-à-vis third parties broad powers which can be exercised singly and without consultation with the other managing director. Although the managing directors can be removed pursuant to the memorandum of agreement entered into between FSCT1, the general partner and the joint venture partners, there is no assurance that the managing directors will not during their appointment perform unauthorised acts or enter into unauthorised transactions on behalf of FSCT1 which may be detrimental to the Group.

In the event that any of the legal representatives of the Group's PRC subsidiaries or joint venture entities or the managing directors of the Group's general partners or subsidiaries in Germany perform any unauthorised acts or enter into any unauthorised transactions on behalf of the Group's subsidiaries or joint venture entities which are detrimental to the Group, its business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may be affected by the conduct of its employees, business partners and counterparties***

The Group's existing policies prohibit its employees from offering or making improper payments or providing benefits to third parties. However, there can be no assurance that the Group's employees, business partners and counterparties will not conduct their business dealings in a manner which would violate such policies. If the Group or any of its employees, business partners or counterparties are not in compliance with relevant laws giving effect to or enforcing such policies, the Group may be subject to criminal and civil penalties and other remedial measures, which may materially and adversely affect the Group's reputation, business, operations, results of operations, financial position and prospects.

***The Group is subject to risks as a result of labour strikes and protests***

There have been several occasions of labour strikes across the PRC, in particular, Guangdong province, during which workers deliberately blocked roads and bridges to further their demands to raise their pay and to seek payment of arrears in their wages and/or to improve their working conditions.

Although the Group's business has never been affected by such labour strikes or protests, there can be no assurance this would not occur in the future. In the event of any occurrence of labour strikes, protests or disputes against the Group, the time taken to complete its projects, the cost of its property developments as well as the operational costs of the Group's property holding business may be delayed or increased (as the case may be), thereby materially and adversely affecting its business, operations, results of operations, financial position and prospects.

***The Group is dependent on the network, contacts and support of the Company's key Controlling Shareholders, namely, the Hong Leong Singapore group of companies and Tai Tak***

The Group's businesses are dependent on the networks and contacts of the Company's key Controlling Shareholders, namely the Hong Leong Singapore group of companies and Tai Tak. For instance, the Group's property holding business diversification in the Netherlands has leveraged on Tai Tak's business network and experience of more than 20 years in the Netherlands.

However, there can be no assurance that the Hong Leong Singapore group of companies and/or Tai Tak will continue to support the Group or allow the Group to rely on their networks, contacts and support in the future. Any unexpected withdrawal of their networks, contacts and support may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may be subject to legal and business risks in the event it is unable to obtain relevant approvals, permits or certificates from the relevant government authorities***

Property developers in the Netherlands and the PRC must comply with various requirements mandated by applicable laws and regulations. In order to develop and complete a property development together with its ancillary facilities located therein, a property developer must obtain the requisite permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights documents, permits in respect of planning, construction and pre-sale of the units and certificates or confirmation of completion and acceptance. Each permit, licence, certificate or approval is dependent on the satisfaction of certain conditions.

In accordance with the "Regulations on Administration of Urban Property Development and Operation" (城市房地产开发经营管理条例) (the "**Development Regulations**") and "Provisions on the Administration of Qualification for Property Development Enterprises" (房地产开发企业资质管理规定), property developers in the PRC are required to obtain the relevant class of qualification certificates for the development of certain types of properties and certain sizes of property developments. The Development Regulations provide that when a property developer engages in the development and sale of properties without any qualification certificates or beyond its qualification, it must rectify such default within the time limit set by the property development authorities under the local government on or above the county level. A fine of between RMB50,000 and RMB100,000 will also be imposed. If the property developer fails to rectify the default within the time limit, its business licence may be revoked by the Administration for Industry and Commerce (工商行政管理部门). All temporary qualification certificates are subject to inspections. Upon satisfaction of various requirements under the Development Regulations, formal qualification certificates will be issued. The property developer's registered capital, property development investments, history of property development, quality of property construction, expertise of the management or any illegality on the part of the developer will be taken into account by the local authorities in deciding whether the developer shall pass the annual inspection.

In order to develop a property in the Netherlands, the Group is required, pursuant to the Environmental Permitting (General Provisions) Act (*Wet algemene bepalingen omgevingsrecht*), to obtain an environmental permit from the municipality in which the property is located. The municipality is entitled to attach conditions to the environmental permit. In the event a required environmental permit is not obtained or the environmental permit is not complied with, the municipality is entitled to take enforcement measures, such as granting an order to undo the works that have been carried out, subject to a penalty. Alternatively, the municipality may tolerate such works, provided that the required environmental permit will be applied for accordingly and provided also that the conditions of the environmental permit will be complied with. For instance, in respect of the proposed development of Dreeftoren in the Netherlands, the local municipality did not approve certain pre-requisites to the conditional sale agreement which had been entered into with a Dutch residential fund for the sale of the property in 3Q2017. Accordingly, the parties agreed to the mutual termination of the sale agreement.

Similarly, in respect of the Group's property holding business and property financing business, the Group must obtain the requisite permits, licences, certificates and other approvals from the relevant administrative authorities for the purposes of acquiring and operating various commercial properties (including hotels) for income purposes and providing such property financing services, respectively.

Any failure or material delays by the Group in obtaining any of the relevant permits, licences, certificates and/or approvals may result in, amongst other consequences, delays in the completion of its projects, increased costs and lower returns on investments than originally expected. For instance, in respect of the Group's properties for sale, the occurrence of any of the aforementioned risks may cause delays in completion which may, among others, result in the purchasers of the properties making claims against the Group for losses or terminating the sale and purchase agreements and claiming losses resulting from the delay. Under such circumstances, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

#### ***The Group could incur significant costs or liability related to environmental matters***

The Group is subject to a variety of laws and regulations in the countries in which the Properties are located concerning the protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances on a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard to whether the owner or operator knows of, or is responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. The Group has not provided for such potential obligations in the Company's consolidated financial statements. Environmental laws and regulations may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports and investigations with respect to any of the Properties may not reveal all environmental liabilities, whether previous or current owners or operators of such properties had created any material environmental condition not known to them or whether a material environmental condition exists in any one or more of these Properties. There also exists the risk that material environmental conditions, liabilities, or compliance concerns may have arisen or may arise in the future. Future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability.

Should the Group be required to incur significant expenses or undertake significant capital expenditure in order to comply with applicable environmental laws, or should the use of the

Properties be affected by applicable environmental laws, the business, operations, results of operations, financial position and prospects of the Group may be materially and adversely affected.

The Properties and other properties acquired in the future by the Group may also from time to time be affected by other environmental issues which may not have been previously identified and/or rectified. This raises a number of risks including:

- the risk of prosecution by environmental authorities;
- the risk of being required by environmental authorities to remedy such issues;
- the requirement for unbudgeted additional expenditure to remedy such issues; and
- the adverse impact on the financial position of end-users arising from the above, affecting their ability to trade and to meet their obligations and which in turn affects the Group's tenants' ability to pay their rents.

The Group does not have any insurance to cover any losses that it may incur as a result of known or unknown environmental issues and there can be no assurance that environmental conditions present at the Properties, now or in the future, and costs which may be incurred to address environmental contamination, will not materially and adversely affect the Group. The current political debate about climate change has resulted in various treaties, laws and regulations which are intended to limit carbon emissions. Such laws being enacted or proposed may cause energy costs at the Properties to increase in the future or require the Group to make material investments in its Properties which could materially and adversely affect its business, operations, results of operations, financial position and prospects.

The Group cannot provide assurance that more stringent requirements for environmental protection will not be imposed by the relevant governmental authorities in the future. If the Group fails to comply with existing or future environmental laws and regulations in the jurisdictions of the Properties, or fails to meet the expectations of society with regard to environmental issues, the Group may suffer damage to its reputation or may be required to pay penalties or fines or take remedial actions, and the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group faces the risk of expropriation of its Properties***

The land on which the Properties in the Group's portfolio is located may be compulsorily acquired by the respective governments of the countries in which they are located for, among other things, public use or due to public interest.

In the event the land on which the Properties in the Group's portfolio is located is compulsorily acquired, the income of the Group may be adversely affected. The owner of a property that is compulsorily acquired may be compensated in accordance with the laws of the respective jurisdiction. If the market value of the land (or part thereof) to be compulsorily acquired is greater than the compensation paid to the Group, the Group's business, operations, results of operations, financial position and prospects could be materially and adversely affected.

The laws of the PRC may allow the respective local governments to compulsorily acquire land under certain circumstances, including if archaeological findings have been discovered at the relevant site. In the Netherlands, the local municipality may expropriate properties where it is in the public interest to do so. In such events, any compensation paid by the local government may be less than the market value of the relevant piece of land.

In the PRC, ancient potteries and artefacts were uncovered beneath and nearby the land site of the Group's Millennium Waterfront development. In the event further artefacts of significance to the PRC government are discovered beneath any land site which the Group owns, such land may be subject to compulsory acquisition by the local government. If this should occur, the Group may not be able to generate profits from the sale and/or operation of any developments situated on these sites in respect of which the Group would have incurred operational expenses in connection with such developments, thereby resulting in losses to the Group. In addition, if the compensation paid in respect of the acquired land is less than its market value or the price the Group had paid in acquiring the land, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

## **RISKS RELATING TO THE GROUP'S PROPERTY DEVELOPMENT BUSINESS**

### **The Netherlands and the PRC**

#### ***The Group is subject to legal and business risks in relation to the pre-sales of its properties***

The practice of pre-sales is widely adopted in the property industry in the Netherlands and the PRC. In line with this practice, the Group may pre-sell its properties prior to completion of construction. For example, in the redevelopment of The Terraced Towers, 75.0 per cent. of the residential units had been pre-sold on a forward-funding basis in November 2016 to secure funding for the project. The project is expected to be completed in 2021. In the PRC, the Group is only able to commence pre-sales of its property developments after obtaining the Pre-Sale Permit.

In the event of a failure or delay in the delivery of its pre-sold properties to the Group's purchasers, the Group would be in breach of its obligations under its sales contract and a claim may therefore be filed against the Group by the affected purchasers. Accordingly, the Group may be liable for the potential loss suffered by the affected purchasers as a result of its failure to deliver, or delay in delivery of such properties. Furthermore, there is no guarantee that such loss will not exceed the purchase price paid to the Group in respect of the pre-sold properties.

Failure to complete a property development on schedule may be attributed to factors such as the time taken and the costs involved in completing construction, which are in turn adversely affected by factors, including, but not limited to, delays in finalisation of construction design and plans for fitting out works, shortages of labour, disputes with contractors, adverse weather conditions and natural disasters. If the delay in delivery extends beyond the contractually specified period, the Group's customers may also be entitled to terminate the sales contracts and claim refunds of monies paid, damages and compensation for late delivery.

Although the Group has not previously experienced any instances of delay in delivery of its pre-sold properties, there can be no assurance that this would not occur in the future. Accordingly, any future occurrences of delay in delivery of, or failure to deliver, pre-sold properties could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

In addition to the above, since the policy relating to pre-sale of properties is subject to extensive governmental regulations and taking into account the importance of the proceeds from pre-sale of the Group's properties as a source of funding for its property development projects, the Group may be adversely affected by any policy changes in relation to the practice of pre-sale. There can be no assurance that the Netherlands government and/or the PRC government will not adopt additional and more stringent industry policies, regulations and measures in the future. In the event the Group is unable to adapt to the new policies, regulations or measures that may come into effect from time to time in the property industry, or if the Group's marketing and pricing strategies are ineffective in promoting sales of its properties, such changes in policies, regulations



and measures and/or changes in market conditions may have an adverse impact on the Group's pre-sale results in the deferral of its pre-sale schedules and/or cause the Group to incur additional costs. Accordingly, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may not have adequate resources to fund its land acquisitions and property developments and may face difficulty in securing additional financing***

Property development is a capital intensive business activity. The availability of adequate financial resources is therefore crucial to the Group's ability to acquire land and to complete its property development projects.

In the PRC, pursuant to the regulation "Opinions on Regulating the Entry and Administration of Foreign Investments into the Property Market" (关于规范房地产市场外资准入和管理的意见) issued on 11 July 2006, a foreign investor engaged in property development or operating properties in the PRC would have to establish a foreign-invested enterprise ("**Property FIE**") in the PRC with a registered capital of not less than 50.0 per cent. of its total investment amount if the total investment amount is equal to or more than US\$10.0 million, and such Property FIEs shall not be permitted to obtain domestic and foreign loans if: (a) it has not made full payment of its registered capital; (b) it has not obtained the Land Use Rights Certificate; or (c) its project development capital has not reached 35.0 per cent. of the total project investment. Pursuant to the relevant PRC laws and regulations, project development capital refers to the amount of capital contributed by investors out of the aggregate amount of investment in respect of any property development project and registered capital in respect of a limited liability company refers to the amount of capital contributed by the shareholders of the company, and which have been registered with the authority. Some of the Group's subsidiaries are subject to these requirements. Accordingly, the Group's ability to obtain loans for its property development projects is subject to these regulations.

The Group usually funds its land acquisitions and property development projects through a combination of equity funds including capital contributions, pre-sale proceeds and borrowings from banks and financial institutions. However, domestic borrowings are not permitted to fund the land use rights acquisition costs under PRC laws. In addition, the Group's ability to obtain pre-sale proceeds is also subject to the relevant PRC laws as it is only able to commence pre-sale of its property developments after obtaining the Pre-Sale Permit.

The Group's ability to arrange for adequate bank and other borrowings for land acquisitions or property developments on terms that will give it a commercially acceptable rate of return depends on a number of factors that are beyond the Group's control, including general economic and political conditions in the PRC, the terms on which financial institutions are willing to extend credit to the Group (such as loan quantum, tenure and interest rates), and the availability of other sources of debt or equity financing and policy initiatives or changes in the PRC which relate to the financing of property developments. For instance, the conditions to obtaining the Pre-Sale Permit vary within each city and between different cities in the PRC, and accordingly, are subject to change.

The PRC government has in recent years introduced a number of policy initiatives in the financial sector to further tighten the lending requirements applicable to property developers. In June 2003, the PBOC issued the "Notice on Further Strengthening the Management of Property Credit Business" (中国人民银行关于进一步加强房地产信贷业务管理的通知) which, among others:

- prohibits PRC commercial banks from advancing loans to fund the payment of land premium;
- restricts PRC commercial banks from granting loans for the development of luxury residential properties such as villas; and

- prohibits property developers from using borrowings obtained from any local bank to fund property developments outside the region.

In May 2005, the MOC, the National Development and Reform Commission of the PRC (中国国家发展和改革委员会) (“**NDRC**”) and several other regulatory bodies of the PRC government jointly issued the “Opinions on the Stability of Residential Property Prices” (关于做好稳定住房价格工作的意见), which, among others, require commercial banks to strictly enforce the PRC laws on granting loans for property developments, including the requirement of thorough credit investigation before approving loans for property developments.

In September 2007, the PBOC and the CBRC issued the “Notice on Strengthening Commercial Property Credit Management” (关于加强商业性房地产信贷管理的通知), which, among others, requires that commercial banks shall not grant loans to projects where the capital funds (owner’s equity) constitutes a ratio of less than 35.0 per cent. of the total project investment cost, or, projects without Land Use Rights Certificates, the Construction Land Planning Permits, the Construction Project Planning Permits and the Construction Permits. Moreover, commercial banks are prohibited from granting loans to property development enterprises that have been hoarding land and housing resources, as detected and verified by the land resources departments and construction authorities.

These policy initiatives may limit the Group’s flexibility and ability to use domestic bank borrowings to finance its business operations in the future. Although the Group has not previously experienced funding difficulties arising from such limitations, there can be no assurance that it will not in the future experience such difficulties as a result of the aforementioned directives and policies which may result in additional costs incurred by the Group which may in turn materially and adversely affect its business, operations, results of operations, financial position and prospects.

Furthermore, although the Group has previously been able to secure sufficient funds to fund its land acquisitions and property developments, there can be no assurance that it would in the future be able to generate sufficient internal funds to acquire development sites, achieve sufficient pre-sales, or secure sufficient borrowings to fund its property development projects. The Group may also encounter delays in obtaining the Pre-Sale Permit, which will prevent it from commencing pre-sale and obtaining pre-sale proceeds. The Group anticipates that it will fund its future land acquisitions and property developments through its operating cash flows, external borrowings, proceeds derived from the sale of its properties as well as the Total Proceeds. In the event the Group is unable to secure adequate financial resources to fund its land acquisitions and property developments, the Group’s business, operations, results of operations, financial position and prospects may be materially and adversely affected.

Furthermore, the incurrence of debt from bank borrowings will increase the Group’s interest payments required to service its debt obligations. An increase in the Group’s financing costs and the need to comply with the operating and financial covenants in such loan agreements could restrict its operations.

If consumer bank financing becomes more costly or otherwise less attractive, the sale and pre-sale of properties to the Group’s customers will be affected.

The Group believes that a majority of the purchasers of its properties rely on bank financing to fund their purchases. An increase in interest rates may significantly increase the cost of bank financing, thus adversely impacting the affordability of the properties the Group sells. In addition, the Netherlands government, the PRC government and commercial banks may also increase down-payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers.

If the availability or attractiveness of mortgage financing is further reduced or limited, many of the Group's prospective customers may not be able to purchase its properties.

In any event, there may be regulatory changes in the future that make housing loans more costly and/or less attractive, and should such regulatory changes take effect, the Group's business, operations, results of operations, financial position and prospects could be materially and adversely affected.

**The Group's results of operations may vary significantly from period to period and such fluctuations, together with the Group's revenue recognition policy and adjustments to the fair value of its investment properties, may cause revenue and earnings volatility in its results of operations**

The Group is exposed to revenue volatility which is characteristic of property development companies. The Group derives a substantial portion of its revenue and profit from the sale of properties that it develops. The revenue and profit that the Group is able to generate are dependent on, among others, the demand for its property development projects by prospective purchasers, the number of property development projects in its portfolio, the value and the overall development schedules of its projects, the timing and amount of GFA for pre-sale or sale, the property conditions in the Netherlands and the PRC, its revenue recognition policies and any changes in costs and expenses, such as land use rights acquisition and construction costs. In addition, the Group's property developments are often developed in multiple phases over the course of several years.

Typically, as the overall development approaches completion, the sale prices of the property comprised in such developments tend to increase because a more marketable piece of property is available to purchasers. Furthermore, according to the Group's accounting policy for revenue recognition, the Group recognises revenue from pre-sale and sale of its properties in the PRC upon, among others, delivery or serving a notice of delivery in writing to purchasers. Generally, there is a timing difference of typically at least one year between the time the Group commences pre-sale of properties under development and completion of the properties. As the timing of completion of the Group's property development projects varies according to its construction timetable, the Group's results of operations may vary significantly from period to period depending on the GFA sold or pre-sold and the timing of completion of the properties it sells. Periods during which the Group pre-sells a large amount of the aggregate GFA, however, may not necessarily be the periods in which the Group generates a correspondingly high level of revenue, if the properties pre-sold are not completed and delivered within such period. The effect of timing of delivery on the Group's operational results is accentuated by the fact that during any particular period of time it can only undertake a limited number of projects due to substantial capital requirements for land acquisition and construction costs as well as the limited supply of land.

Furthermore, the Group will engage an independent valuer to reassess the fair value of its investment properties annually. This may result in the Group recognising unrealised gains or losses on the fair value of the investment properties. Any gain or loss resulting from either a change in fair value or the sale of investment properties is, under the Group's accounting policies, immediately recognised in the consolidated income statement of the Group in the relevant financial period. Accordingly, should there be any significant adverse change in fair value in the Group's investment properties or if the Group sells any of its investment properties at a value significantly lower than its carrying value in the statement of financial position, the Group's business, operations, results of operations, financial position and prospects for the relevant period will be materially and adversely affected.

In addition, the properties that the Group develops for sale, holds for income or acquires as a result of any default by its borrowers in its property financing business, may be relatively illiquid in a market downturn. Such illiquidity may affect the Group's ability to adjust its property portfolio

or liquidate part of its assets in response to changes in the economy, the property market or other conditions. For instance, the Group may be unable to liquidate such properties for a considerable period, or at all. Accordingly, the Group may be forced to accept a substantial reduction in the price that may otherwise be sought for such properties in order to ensure a quick sale. Such illiquidity may also have a negative effect on the prices of the Group's unsold property development units or properties that it acquires in connection with its property financing business from its borrowers, in the event the Group is required to sell such properties quickly, and limits its ability to adjust its property portfolio held for sale in response to changes in economic, political, social or regulatory conditions in a timely manner. The occurrence of any of the aforementioned factors may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

***The Group is subject to risks as a result of delays in its property development projects***

Property development projects typically require substantial capital outlay during the land acquisition and construction phases and each construction may take more than one year to complete, depending on the size and complexity of the development. The time taken to complete a project and the cost of the development may be adversely affected by various factors, including shortage of skilled labour, meeting planning and design regulatory requirements and obtaining planning approvals, costs of materials and equipment, adverse weather conditions, occurrence of natural disasters, disputes with employees and sub-contractors, industrial accidents and changes in government policies and laws.

Furthermore, the Group's contractors may experience financial or other difficulties that may impede their ability to effectively carry out the work for which they were contracted to undertake. In the event that the Group's contractors are unable to complete the work for which they were contracted to undertake, and the Group is unable to obtain compensation from them which may be used to source other suitable contractors to continue the construction, the completion of the Group's projects will be delayed. Such delays may result in the Group having to incur additional costs, potential claims for compensation, termination of sales contracts and/or claims for damages from its customers affected by such delays, which may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

The Group may also be affected by the delay in sales or poor sales of its property developments which may in turn result in delays in the development or launch of the subsequent phases of its property developments. The sales value of the Group's property development projects may be affected by a number of factors, including, but not limited to, weak international, regional and local economic conditions, depressed local property conditions, negative perceptions of purchasers, supply from other available properties, business owners and retailers with respect to the location and other attractiveness of the development, competition from other developments, changes in market rates for comparable sales and increased business and operating costs. Accordingly, the occurrence of any of these factors may have an impact on the sales of the Group's property developments and consequently limit its ability to realise cash from unsold properties, thereby materially and adversely affecting the Group's business, operations, results of operations, financial position and prospects.

***The Group is reliant on independent contractors for its business***

Due to the nature and scale of the Group's business operations, it engages the services of independent third party contractors to provide, among others, construction, piling and foundation, property management, engineering works, interior design, mechanical and electrical installations and installation of common area facilities. These independent third party contractors are selected through a bidding and/or tender process and the Group awards contracts based on factors including, among others, price, reputation for quality and track record. Although the Group conducts periodic on-site inspections on the quality of work done by these independent third party

contractors, there can be no assurance that the services rendered by them will be satisfactory and/or will match the standards required by the Group. In addition, there can be no assurance that the independent third party contractors will not be in breach of the service contracts the Group entered into with them. Accordingly, any disputes that may arise between these third party contractors and the Group and, as a result of which, any change of such third party contractors, would also lead to additional costs being incurred by the Group, delay of its property development projects as well as the diversion of its management time and attention towards resolving the dispute.

If the Group fails to secure sufficient services or services of quality, the quality of its property developments may be adversely affected and accordingly, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected. In addition, these independent third party contractors are vulnerable to financial or other difficulties that may impede their ability to effectively carry out the work for which they were contracted to undertake, thereby materially and adversely affecting the Group's business, operations, results of operations, financial position and prospects.

***The Group may not be successful in implementing its plans to expand its property development business***

The Group's property development projects include mixed-use residential, commercial, office and retail developments in Amsterdam and Rotterdam in the Netherlands or, as the case may be, Chengdu and Dongguan in the PRC which have been built primarily for sale. The Group's strategies include continuing to focus on growing its property development business in Amsterdam and Rotterdam in the Netherlands and Chengdu and Dongguan in the PRC with selective expansion into growth markets. Please see the Section titled "**Summary of the Business of the Group – Strategies and Future Plans – Focus on growing the Group's property development business with selective expansion into growth markets**" of this Offer Information Statement for further information on the Group's strategies in respect of its property development business.

Other high growth cities in the Netherlands or, as the case may be, in the PRC may differ from Amsterdam and Rotterdam, or Chengdu and Dongguan, respectively, in terms of the level and pace of economic development, culture, regulatory practices, topography, the Group's familiarity with local contractors, suppliers and other partners, business practices, customs, tastes, preferences and behaviour. Accordingly, the Group's experience in Amsterdam and Rotterdam or, as the case may be, Chengdu and Dongguan may not be as relevant when it seeks to expand the Group's business into such cities.

There can be no assurance that its future property developments located outside Amsterdam and Rotterdam or, as the case may be, Chengdu and Dongguan will achieve the same levels of success achieved for its previous mixed-use residential and commercial developments. In the event the Group is unsuccessful in its expansion into new markets, cities and sectors, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***Planned amenities and transportation infrastructure near the Group's property development projects may not be implemented as planned, or may be closed, relocated, terminated, delayed or not completed***

There can be no assurance that amenities, transportation infrastructure and public transport services within the proximity of the Group's property development projects will be implemented or completed as planned or will not be closed, relocated, terminated or delayed. If such an event were to occur, it may adversely impact the accessibility and attractiveness of the relevant property development projects. This may then have an adverse effect on the demand and the selling prices

of the relevant property development projects and materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may be subject to risks in relation to and fluctuation in prices of construction raw materials***

The Group is subject to risks of fluctuations in the prices of construction raw materials. The Group's property development projects require significant amounts of construction materials, including steel, bricks and ready mixed concrete. As a property developer, in general, the Group may enter into construction contracts with independent construction companies based on pre-determined prices with a price adjustment mechanism. Under the terms of these construction contracts, the Group's contractors are obliged to absorb any increase in the costs of certain principal construction materials, subject to a percentage cap of the contracted price as agreed between the Group and its contractors on a case-by-case basis. The Group may also enter into construction contracts whereby the principal construction materials are supplied to the contractors based on prices directly agreed between the Group and its suppliers. Accordingly, if during the period of construction, the prices of construction raw materials increase materially, the Group may be required to bear a portion of the additional costs of construction raw materials in the event that the increase in prices of such principal construction materials exceed such agreed percentage cap or the Group's contractors are unable to bear such increase in costs. As such, significant increases in prices of construction raw materials may increase the Group's costs of development. In the event that the Group is unable to increase the sales prices of its properties accordingly, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

**The PRC**

***The land use rights for the Group's future property developments in the PRC will not be formally vested until it has received the formal Land Use Rights Certificates***

The land use rights for the Group's property developments and any land that the Group may acquire in the future in the PRC will not be formally vested in the Group until it has received the corresponding formal Land Use Rights Certificates. Under current PRC land grant policies, the relevant authorities will typically not issue the formal Land Use Rights Certificate for a plot of land until (a) the developer has paid the land grant premium in full, (b) the resettlement process for occupants of the land and/or business owners who have been affected by the acquisition of the site has been completed by the local government, and (c) other land grant conditions have been satisfied.

There can be no assurance that the Group will not encounter difficulties arising from a delay in the issuance of, or a failure to obtain, the formal Land Use Rights Certificates in the future. In the event that the Group is unable to obtain, or encounters delays in obtaining, the formal Land Use Rights Certificates from the relevant authorities, the Group will have to incur additional costs, which may materially and adversely affect its business, operations, results of operations, financial position and prospects.

***The Group may have to bear the costs and expenses for generation of electrical power and the provision of water supply if the supply of electrical power and water to its property development projects is disrupted***

The Group has an arrangement with the local government for the supply of electrical power and water to Chengdu Cityspring and Plots A, B, C, D and G of the Millennium Waterfront. Upon completion of the construction of Plots E and F of the Millennium Waterfront, the Group intends to secure the supply of electrical power and water from the local government to such plots. To fulfil

its obligations to supply electrical power and water, the local government may use its own sources or tap into the sources of other entities to supply electrical power and water to the Group's developments.

In the event that there is a disruption in the supply of electrical power and water to its developments for any reason, the Group will have to incur costs and expenses to arrange for the supply of any interim electrical power and water to its developments. The Group may not be able to pass such costs to the purchasers or occupants of units in its developments as the obligation to provide electrical power and water is that of the developer under the terms of the sales contracts with the purchasers. As a result, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***There is a possibility that the Group's land use rights may be forfeited or that the Group may be penalised by the PRC government if the Group fails to comply with the terms of the land use rights grant contracts or rules imposed by the local government***

Under PRC law, if a developer fails to comply with or develop land according to the terms of the land use rights grant contract or rules imposed by the local government (including those relating to payment of land grant premium, land use or timeline with respect to commencement and completion of the development of the land), the relevant government authority may issue a warning, impose a penalty on the developer or forfeit the land use rights granted to the developer.

Specifically, under current PRC laws and regulations, if the Group fails to pay any outstanding land premiums by the stipulated deadline, the Group may be subject to a late payment penalty at the rate of 0.1 per cent. of the unpaid land premium per day. If the Group fails to fully pay the land premiums within 60 days after the land grant contract becomes effective, the grantor is entitled to terminate the land grant contract and claim for indemnities.

If the Group fails to commence development for more than one year from the commencement date stipulated in the land grant contract, the land authorities may impose a levy of idle land fee on the Group of up to 20.0 per cent. of the land premium. If the Group fails to commence development for more than two years, the land is subject to forfeiture unless the delay in development is caused by a government action or by force majeure.

In addition, even if the Group commences development of the land in accordance with the land grant contract, if the area of the developed land is less than one-third of the total site area of the land, or if the total capital expenditure is less than one-fourth of the total investment of the project, and the development of the land is suspended for more than one year without government approval, the land may still be treated as idle land. In the "Notice on Promoting the Saving and Intensification of Use of Land" (国务院关于促进节约集约用地的通知) promulgated by the State Council of the PRC (the "**State Council**") in January 2008, the aforesaid policy was reinforced. This notice states, among others, that the Ministry of Land and Resources of the PRC (the "**MLR**") and other authorities are required to conduct research on and commence drafting of implementation rules concerning the levy of land appreciation fees on idle land. The MLR issued a "Notice on Strengthening the Administration of Construction Land and Promoting the Utilisation of Approved Land that Has Been Granted Approval but is Not Being Utilised" (关于严格建设用地管理促进批而未用土地利用的通知) in August 2009, which reiterates the current rules regarding idle land. In September 2010, the MLR and the Ministry of Housing and Urban-Rural Development of the PRC (中华人民共和国住房和城乡建设部) jointly issued the "Notice On Further Strengthening the Administration and Control of Property Land and Construction" (关于进一步加强房地产用地和建设管理调控的通知), which provides that a property developer and its controlling shareholders will be prohibited from participating in land bidding unless any non-compliance or illegal behaviour in which it engages, such as (a) leaving the land site idle for more than one year due to the property developer's own reasons, (b) illegal transfer of land use rights, (c) non-compliance with the land development requirements specified in a land grant contract, and (d) committing crimes such as

acquiring land by forging official documents and illegal land speculation, have been completely rectified or the relevant case and investigation have been closed.

There can be no assurance that regulations relating to idle land in the PRC will not become more restrictive in the future and that circumstances leading to the imposition of penalties, liquidated damages or forfeiture of the Group's land will not arise in the future. If the Group is deemed as holding land idle for more than one year without cause or is required to forfeit land, it may lose (a) the opportunity to develop the relevant land site, (b) its investments in the land, including land premiums paid and development costs incurred, and/or (c) its ability to bid for other land in the future, any of which could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

With respect to the timeline for the commencement and completion of the development of land, the Group is typically given a stipulated period according to either (a) the terms of the respective land use rights grant contract or (b) rules imposed by the local government, within which it is required to develop the piece of land, failing which, penalties may be incurred by the Group, including a possible forfeiture of the land in question. Circumstances leading to a possible breach of such terms of the Group's land use rights grant contracts or rules imposed by the local government may arise in the future, leading to possible penalising actions being taken by the relevant authorities, which may materially and adversely affect the Group's business, operations, results of operation, financial position and prospects.

***Where bank mortgages are provided to the Group's customers, it guarantees the issuance of the property ownership certificates to the banks***

The Group arranges for various domestic banks in the PRC to provide loans and mortgage facilities to its customers prior to the delivery of the completed units. Where such loans are taken up by its customers, the Group guarantees the issuance of the property ownership certificates to the banks by the time stipulated in the sale and purchase agreements with the customers. This guarantee is fulfilled upon the issuance of the property ownership certificates to the banks and upon the banks obtaining the certificates of other rights (他项权利证书) in respect of the mortgaged properties.

In the event that a customer defaults on the payment to the bank prior to the issuance of the property ownership certificate, the bank has the right to terminate the mortgage facility and claim from the Group all the payments relating to the mortgage facility due to the bank, which may adversely affect the Group's cash flows and financial position. Upon such occurrence, the Group may have to (a) pay the bank all such payments and claim this amount from the customer and (b) terminate the sale and purchase agreement and charge the customer a penalty for the default, as well as any other costs arising from the default, which have been agreed between the customer and the Group. As at the Latest Practicable Date, the Group has been served one claim from a bank in the PRC arising from the default by a buyer of three SOHO units at Chengdu Cityspring. The Group has settled the outstanding mortgage loan of approximately RMB0.4 million on behalf of the buyer and has commenced court proceedings against the buyer to claim back this amount. There is no assurance that in the event of such claims from banks, the Group will be successful in claiming any amount from the customer, including the penalty and any other costs arising from the customer's default. A failure to do so may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.



## **RISKS RELATING TO THE GROUP'S PROPERTY HOLDING BUSINESS**

### ***The financial performance of the Group's property holding business which includes hospitality assets is dependent on the conditions of the hospitality industry***

The Group's property holding business and in particular, its hospitality component, is subject to prevailing economic conditions in markets or countries from which its guests originate or where its properties are located.

A number of factors, many of which are common to the hospitality industry, may affect the conditions of the hospitality industry in the Netherlands, the PRC, Germany, Italy and other regions in which the Group operates or may operate and accordingly, the financial performance of its property holding business. Such factors include the following:

- changes in the domestic, regional and global economies which are affected by factors, including, but not limited to, the political landscape, environmental conditions and viral epidemics such as human or avian influenza, SARS and/or MERS;
- increased threat of terrorism, terrorist events, airline strikes, hostilities between countries or increased risk of natural disasters that may affect travel patterns and reduce the number of business and commercial travellers and tourists;
- length of a traveller's stay which is dependent on business and commercial travel, leisure travel and tourism;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations;
- increased competition in the local hospitality industry, for example, new supply of comparable hotels in the markets which the Group operates in, which could negatively affect its hotels' occupancy rates and revenue;
- increase in operating costs and incurrence of unanticipated costs due to various reasons including inflation, labour costs, workers' compensation and health-care related costs, repairs and maintenance expenses, utility and energy costs, property tax, advertising and promotion expenses, insurance, environmental damage and acts of nature and their consequences;
- the ability and willingness of consumers to spend money on leisure and entertainment activities including vacations;
- relations between the Group's service providers, suppliers and/or lenders and the Group;
- adverse weather patterns; and
- adverse effects of any downturn in the hospitality industry.

As a result of the occurrence of any of the aforementioned factors, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may not be successful in implementing its plans to expand its property holding business***

The Group's expansion into the property holding business in Germany and Italy and any future expansion into other regions besides the Netherlands and the PRC or even outside Amsterdam, Rotterdam, Utrecht and The Hague in the Netherlands or the Sichuan and Guangdong provinces in the PRC may not be successful as there are many differences between such property markets and the property markets which the Group is familiar with, be it in terms of the level and pace of economic development, culture, regulatory practices, topography, the Group's familiarity with business practices, customs, tastes, preferences and behaviour. Accordingly, the Group's experience which had primarily been in Amsterdam, Rotterdam, Utrecht and The Hague in the Netherlands, as well as the Sichuan and Guangdong provinces in the PRC, may not be as relevant when it seeks to expand the Group's business into new regions.

There is no assurance that the Group's future property holding ventures will achieve the same levels of success achieved for its existing Dutch and PRC portfolios. In the event the Group is unsuccessful in its expansion into new markets, cities and sectors, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***Changes in tax laws, regulations, policies, concessions and treatment and accounting standards applicable to the Group may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects***

The Group has properties located in Europe and the PRC. The applicable laws, regulations (including tax laws and regulations in Singapore, the Netherlands, Germany, Italy and the PRC) and the accounting standards which the Group is subject to, are subject to change. New laws and regulations may also be introduced in these jurisdictions. The Group and its financial statements may be affected by these changes. For instance, the Group may be exposed to risks associated with changes in foreign direct investment regulations which may extend to foreign entities in member states of the EU which are held by non-EU entities. Should restrictions on such non-EU entities be imposed in relation to Singapore entities, the transfer of payments such as dividends and interest from inter-company loans to the Group, or the ability of the Group to make future investments and/or acquisitions in the Netherlands, Germany or Italy, could be impeded. The extent and timing of these changes in laws, regulations and accounting standards are currently unknown and subject to confirmation by the relevant authorities.

The Group is subject to tax laws and regulations in the jurisdictions it operates and may operate, including present and relevant Dutch, German, Italian and PRC tax laws and regulations. Amendments to the tax legislation or regulations, policies, concessions and treatment relating to taxation (including the removal, loss, suspension or reduction of any tax benefits or tax relief) and/or the interpretation and/or application of the same may have either prospective or retroactive effect and this may affect the overall tax liabilities of the Group. There can be no assurance that these changes will not have a significant impact on the presentation of the Group's financial statements or on the Group's results of operations. Any such changes to laws, regulations and accounting standards may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may not be able to generate adequate returns on its properties held for long-term income***

Holding properties for long-term income is subject to varying degrees of risk. The returns available depend, to a large extent, on the amount of capital appreciation generated, income earned as well as expenses incurred. In particular, there is a relatively longer gestation period in respect of hospitality assets due to the nature of their operations as well as the time it may take for the Group

to acquire adequate market share to generate revenue on a sustainable basis. Maximising yields from properties held for long-term income also depends to a large extent on active ongoing management and maintenance of the properties. Accordingly, there can be no assurance that, after the gestation period, the Group will be able to generate adequate returns in respect of its properties held for long-term income, in particular, the Group's hospitality assets, which may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may be unable to extend the term of the lease of its leasehold land in the Netherlands and/or PRC at a commercially acceptable price, if at all***

In the Netherlands, a number of the Properties are held under various leaseholds with a duration of up to the year 2069. Unless the grantor and grantee (being the Group) of the land use rights agree upon a renewal or extension of the land use rights, the leaseholds will terminate at the expiry of the fixed terms and the grantee will have to dispose of the relevant Properties in accordance with the applicable leasehold conditions. In the event that a leasehold term is renewed or extended, the grantee will be required to, among others, pay a land grant premium. The determination of the land grant premium upon such renewals and extensions varies across municipalities. For instance, the determination of the land grant premium in Rotterdam is calculated based on the value of the land at the time of determination and the terms and conditions that are applicable to the leasehold while the determination of the land grant premium in The Hague is calculated based on the value of the land at the time of determination.

All the PRC Properties are held directly under land use rights granted by the PRC government, with terms ranging from 40 years for commercial properties to 70 years for residential properties. According to PRC laws, the grantee of the land use rights of non-residential land may apply for renewal at least 12 months prior to the expiry of the land use rights, otherwise the land use rights will revert to the State upon expiry. However, for residential land, the land use rights are automatically renewed and/or extended upon the expiry of such rights, for a tenure which is to be determined by the PRC government.

If an application for extension is granted (and such grant is made by the PRC government unless the land in issue shall be taken back for the purpose of public interests), the grantee will be required to, among others, pay a land grant premium for the renewed land use right. If no application is made, or such application is rejected in the case of the Group's non-residential Properties, or the leases for the Group's residential Properties expire, the Properties may be disposed of in accordance with the land use rights grant contract.

As at the Latest Practicable Date, none of the Properties in the Netherlands have run their full terms. To the best of the Group's knowledge, none of the land use rights granted by the PRC government similar to those granted to the Group have, as at the Latest Practicable Date, run their full terms, and therefore, there is no known precedent of such extension to provide an indication of the quantum of land grant premium which the Group will have to pay and additional conditions which may be imposed in the event that an extension to the land use rights for the Group's properties is sought and obtained.

Accordingly, there can be no assurance that the Group will be able to obtain an extension to the leasehold terms of the Properties in the Netherlands, or the land use rights of the Properties in the PRC, as the case may be. In the event that an extension is not granted, the relevant Properties in the Group's portfolio would revert to the Netherlands government or the PRC government, as the case may be, and it would no longer own or be able to derive income from such Properties and this, together with other factors, may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***In the Netherlands and Germany, the Group is dependent on rental payments from sole lessees and any breach by any of such sole lessees of its obligations under its lease may have an adverse effect on the Group***

In the Netherlands and Germany, the Group is dependent on rental payments from ABN AMRO, TVHG Budget Amsterdam II B.V., Van Doorne N.V. and MHP Parkhotel GmbH, the sole lessees in relation to the Villa Nuova, Arena Towers, Zuiderhof I and Le Méridien Frankfurt respectively under each of their lease agreements. Accordingly, as these lessees are the sole lessees of the relevant Properties, the Group is exposed to concentrated counterparty risk with respect to these Properties.

Accordingly, the Group's revenue in the Netherlands and Germany is dependent upon the ability of the sole lessees to make rental payments. A downturn in the business of the sole lessees may weaken their financial condition and result in the sole lessees' failure to make timely rental payments or default under their leases. In such event, the Group may, among other things, experience delays in receiving rental payments or non-payments of rent and/or a breach by the sole lessees of the leases under their lease agreement and thus may incur substantial costs in enforcing its rights as landlord and protecting its investments. Any non-payment of rent by the sole lessees may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

There can be no assurance that the sole lessees will have sufficient assets, income and access to financing in order to enable them to satisfy their obligations under the leases.

There is also no assurance that the sole lessees will renew the leases upon expiry. If the leases are terminated, the Group may not be able to find a suitable replacement sole lessee or lessees, as a result of which the Group may lose a significant source of revenue. In any event, it may not be possible to replace the sole lessees immediately upon termination of the leases and this may lead to temporary vacancy. The termination of the leases may have an adverse effect on the Group's business, operations, results of operations, financial position and prospects.

Moreover, failure by the sole lessees to maintain the Villa Nuova, Arena Towers, Zuiderhof I and Le Méridien Frankfurt, as the case may be, in a good state of tenantable repair and condition could have an adverse impact on the physical condition on the properties, rendering them unattractive to existing end-users and potential end-users.

***The Group is subject to the risk of non-renewal and non-replacement of leases and the loss of anchor tenants or a significant number of tenants of any of the Properties***

The Group leases the units in its commercial developments in the Netherlands and the PRC. If an anchor tenant or a significant number of tenants terminate their leases or do not renew their leases at expiry, it may be difficult to secure replacement tenants at short notice. In addition, the amount of rent to be paid and other terms on which lease renewals and new leases are agreed may be less favourable to the Group than those of the current leases. If replacement tenants cannot be found in a timely manner or on terms which are commercially acceptable to the Group, this is likely to materially and adversely affect the business, operations, results of operations, financial position and prospects of the Group.

The loss of anchor tenants or a significant number of tenants in respect of any one of the Group's Properties could result in periods of vacancy impacting the ability of the asset holding companies to make interest and dividend payments and consequently, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group's business of holding hospitality-related assets for income may entail a higher level of risk compared to other types of assets***

The Group owns hospitality assets in Europe and the PRC. Such properties may be held as part of a larger mixed-use development (where such mixed-use development may also include non-hospitality uses such as the Millennium Waterfront).

A concentration of such specific property assets may cause the Group to be susceptible to a downturn in the hospitality industry in Europe and the PRC and in particular, the Netherlands, Germany and Chengdu where our major hospitality assets are situated. A decline in occupancy and room rates for such property assets, and/or a decline in the asset value of the Group's portfolio, will have a material and adverse impact on its business, operations, results of operations, financial position and prospects.

***Renovation or redevelopment works or physical damage to the Properties may disrupt the operations of the Properties and collection of rental income or otherwise result in an adverse impact on the financial condition of the Group***

The quality and design of the Group's Properties have a direct influence over the demand for space in, and the rental rates of, the Properties. The Properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs to rectify faults or structural issues that may develop or to address new planning laws or regulations. The costs of maintaining office properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the buildings age. Although tenants may be obliged to bear certain maintenance and repair costs to a certain extent, the business and operations of the Properties may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works for the duration of the maintenance and/or repair works. In such event, the business, operations, results of operations, financial position and prospects of the Group may be materially and adversely affected.

***A decline in rental or occupancy levels and difficulties in securing tenants and/or guests may materially and adversely affect the Group's financial performance***

The Group's business of holding properties for income is subject to varying degrees of risk. The returns from such investments depend largely on the amount of income earned and capital appreciation generated by such properties which in turn depends on the rental or occupancy levels and the Group's ability to secure tenants and/or guests and/or procure that existing tenants renew or extend their lease terms. If the assets do not generate sufficient revenue to meet operating expenses, including debt service and capital expenditure, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may be adversely affected by economic and real estate market conditions as well as changes in interest rates, availability of funds, regulations and laws***

The revenue generated by, and value of, the Properties which the Group holds for income may be adversely affected by a number of factors, including, but not limited to international, regional, economic or local property conditions in Europe and the PRC, supply from other available properties, changes in market rates for comparable properties, prompt payment by the Group's tenants, sourcing for suitable tenants, casualty losses due to fire, floods and other natural and man-made disasters, the ability to provide adequate maintenance and insurance and increased operating costs.

The Group's property holding business is also affected by factors such as changes in interest rates, the availability of funds, changes in governmental regulations, changes in tax laws or rates and potential environmental or other legal liabilities.

In addition, certain significant expenditure associated with an investment in properties (such as mortgage payments, property taxes and maintenance costs) are generally not reduced when circumstances cause a reduction in revenue from the investment and an increase in such expenditure may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group may be adversely affected by fire, terrorism, accidents, disruption to the supply of public utilities or other unforeseen events at its hotels or Properties which are currently being leased***

The occurrence of fire, terrorism, accidents, disruption to supply of public utilities or other unforeseen events (including unexploded ordnances from World War II that have not been discovered as yet) at any of the hotels and/or Properties which the Group holds for income may lead to significant and prolonged disruptions to the business and operations of the Properties resulting in the Group incurring significant and unbudgeted costs. This could have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

***The Group may not be able to secure funding in respect of any significant periodic capital expenditure required by the Properties or any properties that may be acquired by the Group within its estimates***

The Properties and any properties that may be acquired by the Group may require periodic capital expenditure beyond management's current estimates for refurbishment, renovation for improvements and development of the properties in order to remain competitive or to be income-producing. The Group may not be able to fund such capital expenditure solely from cash from its operating activities and may not be able to obtain additional equity or debt financing on favourable terms, or at all. If the Group is not able to refurbish, renovate or develop its properties due to its failure to obtain suitable financing, the marketability of such property may be affected. In such event, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***Government authorities may impose pre-emption rights on the Properties***

None of the Properties in the Netherlands currently have pre-emption rights in favour of any municipality pursuant to the Municipalities Preferential Rights Act (*Wet Voorkeursrecht Gemeenten*). If, according to the Land Register of the Netherlands (*Kadaster*) such a right is applicable to real estate, the owner must offer such real estate to the municipality before it can be sold to a third party. The existence of such pre-emption rights, should they be imposed on any of the Properties, may affect the Group's ability to obtain the best possible price (under the relevant market conditions) on a divestment of such Property to capture market upside or otherwise. In such event, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The appraisals of the Properties are based on various assumptions and the price at which the Group is able to sell a Property in the future may be different from the initial acquisition value of the Property***

There can be no assurance that the assumptions on which the appraisals of the Properties are based are accurate measures of the market, and the values of the Properties may be evaluated inaccurately. The valuation of any of the Properties does not guarantee a sale price at that value presently or in the future. The price at which the Group may sell a Property may be lower than its purchase price. In such event, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

## **RISKS RELATING TO THE GROUP'S PROPERTY FINANCING BUSINESS**

***The borrowers may default on the loans that the Group makes to them through entrusted loan arrangements***

The Group has been disbursing loans to third parties in the PRC through entrusted loan arrangements since January 2012. An entrusted loan is a loan that the Group provides to a borrower through an Entrusted Loan Agent Bank which acts as the Group's lending agent to administer the entrusted funds vis-à-vis the borrower. These loans are usually secured by, among others, mortgages of land use rights and/or properties as well as a corporate guarantee and/or a personal guarantee in favour of the financial institution. In the event the Entrusted Loan Agent Bank fails or neglects to initiate proceedings to enforce the collateral, the Group may have to initiate legal proceedings against the defaulting Entrusted Loan Agent Bank as the defendant and the customer as the third party to the entrusted loan arrangement. However, there can be no assurance that the outcome of any such legal proceedings would be on terms which are favourable to the Group. In such event, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

There can be no assurance that the Group's borrowers will not default on these loans. In addition, if, upon enforcement, the proceeds of sale of the collateral provided by the borrowers on these loans are insufficient to fully repay the principal and interest amounts due or the Group is unable to collect the amounts due from the borrowers or the corporate and/or the personal guarantors who provided the guarantees in respect of the loan, it will suffer a loss. As the collateral is secured in favour of the Entrusted Loan Agent Bank, the Group does not have the legal right to enforce the collateral but must rely on the Entrusted Loan Agent Bank to do so in the event of default in the repayment of the loans.

For example, in respect of Case 1, the Group had, in December 2015, initiated a claim against a borrower which had defaulted on an entrusted loan of RMB170.0 million with an interest rate of 18.0 per cent. per annum. The First Intermediate Shanghai Court ruled that the borrower is required to pay the Group the outstanding principal on the loan as well as penalty interest at the rates of (a) 24.0 per cent. per annum for the period from 22 December 2015 up to 4 August 2016 and (b) 30.4 per cent. per annum for the period from 5 August 2016 up to the date of full payment. Following the final ruling in December 2018 by the First Intermediate Shanghai Court dismissing the appeal by the borrower's legal representative in respect of criminal cases involving the borrower's legal representative, the auction process in respect of the relevant mortgaged properties is expected to commence in 2019. The First Intermediate Shanghai Court has completed its assessment of the borrower's assets, which it valued at approximately RMB332.3 million. The Group intends to apply to the First Intermediate Shanghai Court for a determination of priorities to such assets. This process is expected to commence sometime in 2019. However, while the Group had secured a favourable ruling in relation to Case 1, there is no assurance that the Group will be able to recover the full amount of the outstanding principal and interest on the loan, or at all. In particular, and after taking into account the public interest arising from the above-mentioned criminal cases, the Group may have to accept a lower interest entitlement.

In addition, in respect of Case 2, the Group had, in February 2016, initiated claims in the Shanghai courts against six borrowers which had defaulted on entrusted loans of an aggregate amount of RMB470.0 million (the “**Defaulted Amount**”) bearing interest at rates ranging from 17.0 to 17.5 per cent. per annum. The loans disbursed to each of these borrowers were cross-collateralised. The Group received rulings in its favour from the Shanghai courts in respect of all the loans and the Group has since recovered the Defaulted Amount in full and recognised cumulative net interest of RMB216.1 million.

Please see paragraph 8(f) in the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information – Information on the Relevant Entity**” of this Offer Information Statement for further details of the above-mentioned proceedings.

In addition, as the lender of the entrusted loans, the Group may be exposed to high risks and significant loss in the mortgage industry. As part of the mortgage formalities for the purpose of the entrusted loans, the Entrusted Loan Agent Bank typically relies on and keeps copies of, among others, the land and building title certificates submitted by borrowers to the Entrusted Loan Agent Bank to determine the validity of the securities offered by borrowers. In the event that the copies of the land and building title certificates are forged or found to be fraudulent and the borrowers default on the entrusted loans, the Entrusted Loan Agent Bank may not be able to enforce the collaterals on the Group’s behalf.

Upon the registration of the relevant mortgage documents (including, among others, the land and building title certificates as well as the mortgage application) with the relevant local land authority, certificates of other rights (他项权利证书) in respect of the mortgaged properties will be issued to the bank which will enable the bank to enforce its rights on the Group’s behalf if the borrowers should default on their loans. In this respect, there is also a risk that such certificates of other rights (他项权利证书) may be forged.

As such, if any of the borrowers default on their loans and/or the Entrusted Loan Agent Bank is unable to enforce the collaterals due to forged or fraudulent copies of the land and building title certificates as well as the certificates of other rights (他项权利证书) or if, upon enforcement, the proceeds of sale of the collaterals are insufficient to cover the principal loan and interest amounts and the Group is otherwise unable to collect the amounts due from the borrowers or the corporate and/or the personal guarantors, the Group’s business, operations, results of operations, financial position and prospects could be materially and adversely affected.

***There can be no assurance that the Group will be able to source for suitable borrowers who are able to provide collateral acceptable to the Group***

In respect of the Group’s property financing business, the entrusted loans it disburses to third parties (except for certain entrusted loans to third parties in which the Group has an equity interest in), as a general principle, have to be secured by, among others, a mortgage of land use rights and/or properties in favour of the Entrusted Loan Agent Bank. The Group also requires the amount of the loan disbursed to not exceed a pre-set percentage of the value of the mortgaged land use rights and/or properties.

There can be no assurance that the Group will be able to source for borrowers who are prepared to accept a loan which is within the Group’s loan-to-value threshold. In the event that the Group fails to source for suitable borrowers, it will be unable to generate interest income through entrusted loan arrangements. In addition, in the event the amount of cash the Group allocates for its property financing business is not utilised for other purposes, the Group’s business, operations, results of operations, financial position and prospects may be materially and adversely affected.



***The Group is dependent on the financing environment in the PRC***

The financing environment in which the Group's property financing business operates is highly competitive and subject to regulatory changes. For example, save in respect of mortgage loans taken up by individuals for the purchase of residential units, the PRC government had previously set a ceiling and a floor for lending interest rates which were abolished in July 2013. With the abolishment of the ceiling and floor for lending interest rates, domestic banks in the PRC have the discretion to set their lending interest rates based on the competitive financing environment. Accordingly, there can be no assurance that the Group's property financing services would not in the future become less appealing to potential borrowers. The Group may also be unable to compete with the domestic banks in the PRC. In the event the Group's property financing business is not able to compete successfully in the PRC, the Group's business, operations, results of operations, financial position and prospects could be materially and adversely affected.

***The Group may not be able to effectively manage credit risk and maintain the quality of its entrusted loan portfolio, especially as it expands its property financing business***

The sustainability of the Group's growth as a provider of property financing depends largely on its ability to effectively manage its credit risk and maintain the quality of its entrusted loan portfolio. In order to minimise and effectively manage the risk of non-performing credit, the Group has implemented measures to assess the creditworthiness of its customers, including due diligence on potential customers' credit quality, strict credit approval procedures and guidelines and effective credit control and collection processes. There can be no assurance that these credit risk management measures will be effective in managing such risks. Failure of the Group's credit risk management measures may result in an increase in the level of its non-performing credit and adversely affect the quality of its entrusted loan portfolio. In addition, the quality of the Group's entrusted loan portfolio may also deteriorate due to various other reasons, including factors beyond its control. If such deterioration occurs, it will materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group will be exposed to various risks as it expands its property financing business***

The Group intends to continue to expand its property financing business. The expansion of its property financing business has and will expose the Group to new and potentially higher risks, including the following:

- the Group may need to hire additional qualified and experienced personnel but may be unable to do so;
- in the event the Group's existing personnel leave their roles, the Group may be unable to find suitable replacements within a reasonable timeframe or at all; and
- the Group may be unable to obtain or maintain regulatory approval for its entrusted loan financing services in the PRC if such a need arises. On 5 January 2018, CBRC issued the "Measures for the Administration of Entrusted Loans of Commercial Banks" which sets out certain restrictions on the source and uses of entrusted loan funds as well as the provision of guarantees in relation to the entrusted loans. Although the PRC laws currently do not prohibit entrusted loans, the Group may be required to cease entering into entrusted loan arrangements in the future if there are any changes to the laws, regulations and/or policies prohibiting its property financing business or, as the case may be, requiring that the Group's relevant PRC subsidiaries be licensed.

If the Group is unable to achieve the intended commercial results with respect to its property financing business, the Group's business, operations, results of operations, financial position and prospects could be materially and adversely affected.

## **GENERAL RISKS RELATING TO THE PRC**

### ***The Group's operations could be adversely affected by changes in the social, political and economic conditions in the PRC***

The Group's revenues are derived mainly from its business operations located in the PRC. Accordingly, any significant slowdown in the PRC economy or decline in demand for residential and commercial properties in the PRC will have an adverse effect on the Group's business, operations, results of operations, financial position and prospects. Furthermore, any unfavourable changes in the social, political and economic conditions of the PRC may also materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

Since the adoption of the "open door policy" in 1978 and the "socialist market economy" in 1993, the PRC government has been reforming and is expected to continue to reform its political and economic systems. Any changes in the social, political and economic policy of the PRC government may lead to changes in laws and regulations or the interpretation of the same, as well as changes in foreign exchange regulations, taxation and import and export restrictions, which may in turn adversely affect the Group's results of operations. While the current policy of the PRC government seems to be one of imposing economic reform policies to encourage foreign investment and greater economic decentralisation, there can be no assurance that such a policy will continue to prevail in the future. As such, there can be no assurance that the Group's business, operations, results of operations, financial position and prospects will not be materially and adversely affected should there be any policy changes.

The Group recognises that the PRC property market would in general be affected by a change in any of the aforementioned policies, and that any further tightening measures undertaken by the PRC government could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

### ***Introduction of new laws or changes to existing laws by the PRC government may adversely affect the Group's business***

The PRC legal system is a codified legal system made up of written laws, regulations, circulars, administrative directives and internal guidelines. In the event of a breach of any of the foregoing due to an act or omission by the Group's PRC subsidiaries and/or associated companies, it will be subject to the relevant penalties prescribed thereunder. The PRC government is still in the process of developing its legal system so as to meet the needs of investors and to encourage foreign investment. Generally, the PRC economy is developing at a faster pace than its legal system.

Therefore, some degree of uncertainty exists in connection with whether existing laws and regulations will apply to certain events or circumstances, and if so, the manner of such application. In addition, new personnel at the relevant PRC administrative authorities may require time to process the implementation of the Group's agreements with the local authorities based on the existing interpretation of applicable laws and regulations. In particular, unlike common law jurisdictions like the United Kingdom and Singapore, decided cases do not form part of the legal structure of the PRC and thus have no binding effect. As such, the administration of the PRC laws and regulations may be subject to a certain degree of discretion by the authorities. This has resulted in the outcome of dispute resolutions not having the level of consistency or predictability as in other countries with more developed legal systems. In addition, it may be difficult to obtain a swift and equitable enforcement of laws in the PRC, or the enforcement of judgements by a court of another jurisdiction.

In addition, in line with its transformation from a centrally planned economy to a more free market oriented economy, the PRC government is in the process of developing a comprehensive set of laws and regulations. As the legal system in the PRC is evolving, laws and regulations or the interpretation of the same may be subject to change and accordingly, any adverse change could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The PRC property market is heavily regulated and subject to frequent introduction of new regulations, including further measures by the PRC government to slow down the growth of the property sector, which may adversely affect the Group's property businesses***

The PRC government exerts considerable influence on the growth and development of the PRC property market through industry policies and other economic measures such as setting interest rates, controlling the supply of credit by changing bank reserve ratios and implementing lending restrictions, increasing tax and duties on property transfers and imposing foreign investment and currency exchange restrictions. Through these policies and measures, the PRC government may restrict or reduce land available for property development, raise the benchmark interest rates of commercial banks, impose additional limitations on the ability of commercial banks to make loans to property developers and property purchasers, impose additional taxes and levies on sale of properties and restrict foreign investment in the PRC property sector.

For instance, from 2004 to 2017, the PRC government introduced a series of regulations and policies designed to generally control the growth of the property market and increase in property prices as well as to dampen property speculation, including, among others:

- strictly enforcing the laws and regulations relating to idle land;
- restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- prohibiting commercial banks from lending funds to property developers with an internal capital ratio that is under a certain prescribed percentage;
- restricting PRC commercial banks from granting loans to property developers for the purpose of paying land grant premiums;
- limiting the maximum amount of monthly mortgage and the maximum amount of total monthly debt service payments of an individual borrower;
- imposing tax levies on the sale proceeds of second-hand transfers of properties subject to the length of holding period and type of properties;
- increasing the minimum amount of down-payment in respect of residential properties;
- imposing limits on the number of residential properties that local residents may purchase;
- tightening the availability of individual housing loans in the property market to individuals and their family members with more than one residential property; and
- limiting the availability of individual housing provident fund loans for the purchase of second (or subsequent) residential properties by individuals and their family members.

There can be no assurance that the PRC government will not adopt additional and more stringent industry policies, regulations and measures in the future. It is also impossible to ascertain the extent of the impact of any such measures or to accurately estimate the Group's sales volume and turnover should such measures be introduced. If the Group fails to adapt its operations to new policies, regulations or measures that may come into effect from time to time with respect to the property industry, or if the Group's marketing and pricing strategies are ineffective in promoting its sales, such policy and market condition changes may dampen the Group's contracted sales, result in the deferral of its pre-sale schedules, and cause the Group to incur additional costs, in which case the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***In general, there is a lack of readily available, reliable and updated information on property market conditions in the PRC***

The Group is subject to property market conditions in the PRC in general and in particular, in the cities where the Group's property developments are located. Current, reliable and up-to-date information on the amount and the nature of property development and investment activities, the demand for such developments, the supply of new properties being developed or the availability of land and buildings suitable for development and investment is generally not readily available in the PRC and in the relevant cities. Consequently, the Group's investment and business decisions may not always have been, and may not be in the future, based on accurate, complete and timely information. Inaccurate information may adversely affect the Group's business decisions, which could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***There are certain existing policies and regulations in the PRC that may affect the Group's future financing activities***

*PRC policies or regulations that may affect the Group's future domestic financing activities*

The PRC government has in recent years implemented a number of policy initiatives in the domestic financial sector to further tighten the domestic lending requirements for property developers. In June 2003, the PBOC issued the "Notice on Further Strengthening the Management of Property Credit Business" (中国人民银行关于进一步加强房地产信贷业务管理的通知) which, among others:

- prohibits PRC commercial banks from advancing loans to fund the payment of land premium;
- restricts PRC commercial banks from granting loans for the development of luxury residential properties such as villas; and
- prohibits property developers from using borrowings obtained from any local bank to fund property developments outside the region of such local bank.

In May 2005, the MOC, the NDRC and several other regulatory bodies of the PRC government jointly issued the "Opinions on the Stability of Residential Property Prices" (关于做好稳定住房价格工作的意见) which, among others, require commercial banks to strictly adhere to PRC laws on granting loans for property developments, including the requirement of thorough credit investigation before approving loans for property developments.

In accordance with the "Notice on Strengthening Commercial Property Credit Management" (关于加强商业性房地产信贷管理的通知) jointly issued by the PBOC and the CBRC on 27 September 2007, commercial banks shall not (a) issue loans in any form to a project of which the proportion of capital (owners' equity) is less than 35.0 per cent. or that has not received the Land Use Rights Certificate, the Construction Land Planning Permit, the Construction Project Planning Permit or

the Construction Permit, (b) issue loans to property development enterprises that are found to be hoarding land and properties for speculative purposes by the competent authority in charge of land and resources and the competent authority in charge of construction, and (c) accept commercial properties that have been left idle for more than three years as collateral for mortgage loans.

However, on 20 December 2008, the State Council promulgated the “Various Opinions on Promoting the Healthy Development of Property Market” (国务院办公厅关于促进房地产市场健康发展的若干意见), which provide firstly that commercial banks may increase credit support for construction of small and medium-sized ordinary commodity properties at low or medium price, especially properties under construction. Further, they will be under the supervision of the government, especially for government housing projects (政府保障房) under construction. Secondly, with regard to the enterprises or projects relating to merger or reorganisation by competent and reputable property development enterprises, commercial banks are encouraged to provide financing support.

In accordance with the “Notice on Adjustment of Investment Capital Ratios for Fixed Asset Projects” (国务院关于调整固定资产投资项目资本金比例的通知) promulgated by the State Council on 25 May 2009, the minimum capital proportion for low-income housing projects and ordinary commercial housing projects is 20.0 per cent., and the minimum capital proportion for other types of property development projects is 30.0 per cent. When providing credit assistance and services, financial institutions shall carry out an independent assessment to reduce financial risks and shall conduct a comprehensive assessment and evaluation on the source of the capital, returns on investment and investment risks with reference to the capital requirements promulgated by the State based on the status of the borrower and the project, so as to decide whether to grant the loan as well as the amount and proportion of the loan.

#### *PRC policies or regulations that may affect the Group’s future external financing activities*

On 28 April 2013, SAFE issued the Administrative Measures for Foreign Debt Registration (外债登记管理办法) (the “**Foreign Debt Measures**”) and the Foreign Debt Measures Operation Guidelines (外债登记管理操作指引) which was revised on 4 May 2015 (the “**Foreign Debt Guidelines**”).

Further, on 11 May 2013, SAFE issued the “Notice on Issuing the Provisions on the Foreign Exchange Administration of Domestic Direct Investment of Foreign Investors and the Supporting Documents” (国家外汇管理局关于印发《外国投资者境内直接投资外汇管理规定》及配套文件的通知) (“**Notice 21**”).

The Foreign Debt Measures, the Foreign Debt Guidelines and Notice 21 restrict the ability of a foreign invested property enterprise to raise funds offshore and then inject funds into such enterprise by way of shareholder loans stipulating that, among others (a) SAFE will no longer process foreign debt registration or examination and approval of foreign exchange settlements for foreign debt for Property FIEs that obtained approval certificates from commercial authorities and filed such approval certificates with MOC on or after 1 June 2007, (b) Property FIEs established before 1 June 2007 may apply for foreign debt registration only within the balance between total investment and registered capital and (c) Property FIEs which fail to fully contribute registered capital, or where the capital fund (owner’s equity) is less than 35.0 per cent. of the required total investment of its development project, or, which fail to obtain the Land Use Rights Certificate, are prohibited from raising foreign debt, and SAFE will no longer process foreign debt registration or examination and approval of foreign exchange settlements for foreign debt for such foreign-invested property enterprises. The Group currently has Property FIEs. These property subsidiaries incorporated by the Group in the PRC (the “**PRC Property Subsidiaries**”) will not be allowed to obtain debt financing (including bank loans or inter-company loans) from offshore entities.

Nonetheless, the PRC Property Subsidiaries' financing needs will be funded through a combination of internal and other external sources. Internal sources include working capital inflows while external sources include onshore RMB-denominated loans from banks and financial institutions based in the PRC. The Group may also choose to increase the equity financing in the PRC Property Subsidiaries by way of increases in paid-up capital. Furthermore, the restriction on offshore debt financing does not affect the Group's offshore entities including the Company. Accordingly, the Company and the Group's offshore intermediary holding companies are still able to raise funds denominated in any currency outside the PRC for investments in the Group's existing or new property projects in the PRC. However, such funds raised can only be remitted into the PRC through direct investment into the paid-up capital of the PRC Property Subsidiaries.

In view of the foregoing, although the Group presently does not have any domestic loan exposure, there can be no assurance that the Group will not be undertaking external financing in the future and any changes in the policies or regulations by the PRC government may limit the Group's financing options and flexibility and therefore, the Group may need to rely on alternate sources of funds or maintain a relatively high level of cash. Should the Group be unable to do so, the Group's business, operations, results of operations, financial position and prospects may be materially and adversely affected.

***The Group may be subject to fluctuations in interest rates due to, among others, any change of the macroeconomic policies of the PRC government in the PRC property sector***

The PRC government has exercised and continues to exercise significant influence over the PRC economy in general, which may, among others, affect the property sector in the PRC. From time to time, the PRC government adjusts its monetary and economic policies to prevent the overheating of the national and provincial economies, and this may affect the property markets that the Group operates in. Any action by the PRC government concerning the economy or the property sector in particular could adversely affect the Group's business, operations, results of operations, financial position and prospects. In addition, the central and local authorities may continue to adjust interest rates, tax rates and other economic policies or impose other regulations or restrictions that may have an adverse effect on the property market in the PRC and in turn adversely affect the Group's business. For instance, as purchasers of the Group's properties commonly rely on mortgages to fund their purchases, any increase in interest rates may increase the costs of such mortgage financing, thus reducing the attractiveness of mortgages as a source of financing for property purchasers and adversely affecting the affordability of properties.

As at the Latest Practicable Date, the Group had obtained certain bank financing credit facilities and it may face risks in relation to interest rate movements in particular as a result of the debts undertaken by the Group to finance its property developments. As at the Latest Practicable Date, all the banking facilities of the Group were from offshore entities. Changes in interest rates will affect the Group's interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities respectively. This may in turn have a material and adverse effect on the Group's results of operations. Furthermore, an increase in interest rates would also adversely affect the willingness and ability of prospective customers to purchase the Group's properties and its ability to raise and service long-term debt.

***PRC regulations relating to the establishment of offshore holding companies by PRC residents may subject the Group's PRC resident beneficial owners or PRC subsidiaries to liability or penalties, limit the Group's ability to inject capital into its PRC subsidiaries, limit the Group's PRC subsidiaries' ability to increase their registered capital or distribute profits to the Group, or may otherwise adversely affect the Group***

SAFE has promulgated several regulations, including the "Notice on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents' Financing and Roundtrip Investment Through Offshore Special Purpose Vehicles" (国家外汇管理局关于境内居民通过境外特殊目的公司融资及返程投资外汇管理有关问题的通知) or "Circular 75", effective on November 1, 2005 and its implementation rules. On 4 July 2014, SAFE promulgated the "Notice on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents' Offshore Investment and Financing and Roundtrip Investment Through Offshore Special Purpose Vehicles" (国家外汇管理局关于境内居民通过特殊目的公司境外投融资及返程投资外汇管理有关问题的通知) or "Circular 37" and its schedules (effective from 4 July 2014) which repealed Circular 75.

These regulations require PRC residents and PRC corporate entities to register with local branches of SAFE in connection with their direct or indirect offshore investment activities. These regulations are applicable to shareholders who are PRC residents and may be applicable to any offshore acquisitions that the Group makes in the future. Under these foreign exchange regulations, PRC residents who make, or have prior to the implementation of these foreign exchange regulations made, direct or indirect investments in offshore special purpose vehicles ("SPVs"), will be required to register such investments with SAFE or its local branches. In addition, any PRC resident who is a direct or indirect shareholder of an SPV, is required to update its filed registration with the local branch of SAFE with respect to that SPV, to reflect any material change.

Moreover, any subsidiary of such SPV in the PRC is required to urge the PRC-resident shareholders to update their registration with the local branch of SAFE. If any PRC-resident shareholder fails to so register or to update the previously filed registration, the subsidiary of such SPV in the PRC may be prohibited from distributing its profits or the proceeds from any capital reduction, share transfer or liquidation to the SPV, and the SPV may also be prohibited from making additional capital contribution into its subsidiary in the PRC.

There can be no assurance that such PRC-resident individuals may continue to make required filings or updates in a timely manner, or at all. There can be no assurance that the Group will in the future continue to be informed of identities of all PRC residents holding direct or indirect interest in the Company. Any failure or inability by such individuals to comply with SAFE regulations may subject the Group to fines or legal sanctions, such as restrictions on the Group's cross-border investment activities or its PRC subsidiaries' ability to distribute dividends or obtain foreign-exchange-denominated loans (to the extent such loans are not property related or were obtained prior to 1 June 2007, being the date prior to which Property FIEs established before that may apply for foreign debt registration only within the balance between total investment and registered capital) from the Group or prevent the Group from making distributions or paying dividends. As a result, the Group's business, operations, results of operations, financial position and prospects could be materially and adversely affected.

On 15 February 2012, SAFE promulgated the "Notice Concerning the Foreign Exchange Administration on Stock Incentive Plans of Overseas Listed Companies involving Domestic Individuals" (国家外汇管理局关于境内个人参与境外上市公司股权激励计划外汇管理有关问题的通知) ("**Notice 7 (2012)**"). Under Notice 7 (2012), PRC citizens who are granted shares or share options by an overseas listed company are required, through a PRC agent such as an onshore entity participating in such stock incentive plan or a domestic institution qualified to conduct asset trust designated by the onshore entity, to register with SAFE and complete certain other procedures related to the granted shares and/or share options. The Group's PRC citizen employees who have been granted shares and/or share options are subject to Notice 7 (2012) given the Company's listing on the SGX-ST. If the Group's employees who are PRC citizens fail to comply with these regulations, the Group or its employees who are PRC citizens may be subject to fines and legal sanctions.

Furthermore, as these foreign exchange regulations are still relatively new and their interpretation and implementation have been constantly evolving, it is unclear how these regulations, and any future regulation concerning offshore or cross-border transactions, will be interpreted, amended and implemented by the relevant government authorities. For example, the Group may be subject to a more stringent review and approval process with respect to its foreign exchange activities, such as remittance of foreign currency denominated borrowings, which may adversely affect the Group's business, operations, results of operations, financial position and prospects. In addition, if the Group decides to acquire a PRC domestic company, there can be no assurance that the Group or the owners of such company, as the case may be, will be able to obtain the necessary approvals or complete the necessary filings and registrations required by the foreign exchange regulations. This may restrict the Group's ability to implement its acquisition strategy and could materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The Group's ability to secure new projects and related investments may be restricted by policies and regulations introduced by the PRC government with respect to overseas investment***

The PRC government has introduced a number of policies and regulations aimed at regulating foreign investment in the property industry in the past few years:

- On 11 July 2006, the MOC, the Ministry of Commerce of the PRC (中国商务部) (the "MOFCOM"), the NDRC, the PBOC, the State Administration for Industry and Commerce of the PRC (国家工商行政管理局) (the "SAIC") and SAFE issued the "Opinions on Regulating the Entry and Administration of Foreign Investments into the Property Market" (关于规范房地产市场外资准入和管理的意见).
- On 23 May 2007, the MOFCOM and SAFE issued the "Notice on the Reinforcement and Regulation of Approval and Supervision of Foreign Direct Investments in the Property Industry" (关于进一步加强规范外商直接投资房地产业审批和监管的通知).
- As mentioned in the risk factor "**There are certain existing policies and regulations in the PRC that may affect the Group's future financing activities – PRC policies or regulations that may affect the Group's future external financing activities**", on 28 April 2013, SAFE issued the Foreign Debt Measures (relating to foreign debt registration) and the Foreign Debt Measures Operation Guidelines.
- As mentioned in the risk factor "**There are certain existing policies and regulations in the PRC that may affect the Group's future financing activities – PRC policies or regulations that may affect the Group's future external financing activities**", on 11 May 2013, the General Affairs Department of the SAFE issued Notice 21.

SAFE will no longer process foreign debt registration for Property FIEs that obtained approval certificates from commercial authorities and filed such approval certificates with the MOC on or after 1 June 2007. Property FIEs which were established before 1 June 2007 may apply for foreign debt registration only within the balance between total investment and registered capital. The above-mentioned regulations are restrictive measures taken by the PRC government to limit foreign investment in the PRC property market. Pursuant to the requirements in the above regulations, the Group must apply to the relevant examination and approval authorities if it plans to expand the scope of its business or the scale of its operations, engage in new project developments or operations or increase the registered capital of the Group's PRC-domiciled foreign invested subsidiaries in the future.



On 24 December 2011, the MOFCOM and the NDRC jointly issued a revised “Foreign Investment Industrial Guidance Catalogue” (外商投资产业指导目录), which became effective on 30 January 2012, and provides, among others, that the development and construction of villas or golf courses by FIEs are prohibited while the development and construction of high-end hotels or office buildings by FIEs are restricted. On 10 March 2015, the MOFCOM and NDRC jointly issued a further revised “Foreign Investment Industrial Guidance Catalogue” (外商投资产业指导目录), which became effective on 10 April 2015, and which provides, among other things, that the construction of villas or golf courses by FIEs is prohibited while the construction and operation of high-end hotels and office buildings by FIEs are no longer restricted. On 28 June 2017, the MOFCOM and NDRC jointly issued a further revised “Foreign Investment Industrial Guidance Catalogue” (外商投资产业指导目录), which became effective on 28 July 2017, and which provides, among other things, that the development and construction of villas or golf courses by FIEs are no longer prohibited.

In the future, if the Group develops such properties, the development will be subject to the review and approval by the MOFCOM. Pursuant to the requirements set out in the above-mentioned notices, the Group must apply to the relevant examination and approval authorities if it plans to expand the scope of its business or the scale of its operations, engage in new project developments or operations or increase the registered capital of the Group’s PRC foreign-invested subsidiaries in the future. If the PRC government promulgates further policies or regulations to further regulate or restrict foreign investment in the PRC property industry, and if these policies or regulations affect the Group’s business and operations, the Group’s ability to secure new projects may suffer and the Group’s business, operations, results of operations, financial position and prospects could be materially and adversely affected.

***The Group is subject to environmental laws and regulations in the PRC***

The Group is subject to a variety of PRC laws and regulations relating to the protection of health and the environment. The particular PRC environmental laws and regulations which apply to the Group’s property developments may vary greatly according to the development site’s location, environmental condition, the present and former uses of the development site and adjoining properties. The enforcement of the PRC environmental laws and conditions may result in delays to the Group’s development projects, the incurrence of substantial compliance and other costs and the prohibition or severe restriction of property development activities in environmentally sensitive regions or areas.

As required by the relevant PRC laws, each of the Group’s projects must undergo environmental impact assessments. Environmental impact assessment reports and/or documents must be submitted to the relevant government authorities for approval before the Group can commence construction on a development site. The local authorities may require the Group to submit the environmental impact assessment report, issue orders to suspend construction work and impose penalties if the Group is found to be in breach of the above requirements.

Although the Group has not previously failed to comply with the relevant environmental laws and regulations, there can be no assurance that such risks will not occur in the future. Any future breaches of the relevant environmental laws and regulations may result in a delay of the progress of the Group’s property developments, hence materially and adversely affecting the Group’s business, operations, results of operations, financial position and prospects.

***PRC foreign exchange controls may limit the Group's ability to receive dividends and other payments from its PRC subsidiaries***

The Group's PRC subsidiaries are subject to PRC rules and regulations on currency conversion. In the PRC, SAFE regulates the conversion of RMB into foreign currencies and *vice versa*. Currently, FIEs are required to apply to SAFE for "Foreign Exchange Registration Certificates for FIEs". With such registration certificates, FIEs are allowed to open foreign currency accounts including the upfront expense account, capital account, asset realisation account and other accounts.

The ability of the Group's PRC subsidiaries to pay dividends or make other distributions to the Group may be subject to PRC foreign exchange control restrictions. There can be no assurance that the relevant regulations will not be amended to the Group's disadvantage and that the ability of its PRC subsidiaries to distribute dividends to the Group will not be adversely affected.

***PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent the Group from using the Total Proceeds to make loans or additional capital contributions to its PRC subsidiaries***

Any loans to the Group's PRC subsidiaries are subject to PRC regulations and foreign exchange loan registrations. The Group may borrow funds from offshore bank entities or use offshore equity funds to capitalise its property-related PRC subsidiaries. Any loans provided by the Group to its other PRC subsidiaries to finance their activities, which cannot exceed statutory limits, must be registered with the local counterpart of SAFE. Any capital contributions by the Group to other PRC subsidiaries must be approved by the MOFCOM or its local counterpart in advance.

SAFE issued the "Notice of the SAFE on Reforming the Mode of Management of Settlement of Foreign Exchange Capital of Foreign-Funded Enterprises" (国家外汇管理局关于改革外商投资企业外汇资本金结汇管理方式的通知) ("**Notice 19**") in March 2015, which regulates the conversion by an FIE of foreign currency into RMB by restricting how the converted RMB may be used. Notice 19 requires that the RMB funds converted from the foreign currency capital of an FIE may only be used for purposes within the business scope of the relevant FIEs approved by the applicable governmental authority and cannot be used for equity investments or acquisitions within the PRC unless specifically provided otherwise.

Violations of Notice 19 will result in severe penalties, such as heavy fines set out in the relevant foreign exchange control regulations. There can be no assurance that the Group will be able to obtain all or any of the approvals required for making loans or additional capital contributions to its PRC subsidiaries using the Total Proceeds in a timely manner, or at all. Accordingly, the Group may not be able to make use of all or any of the Total Proceeds to extend loans or make additional capital contributions to the Group's PRC subsidiaries.

***Changes in PRC tax laws, regulations, policies, concessions and treatment may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects***

Currently, in accordance with industry practices, the Group is taxed according to the relevant national and local government laws and regulations relating to value-added tax, income tax, land appreciation tax ("**LAT**") and land use tax. In the event that there is a change in the tax laws, regulations, policies, concessions and treatment such as the amount and timing of the LAT prepayments/settlements and land use tax, and the removal, loss, suspension or reduction of any tax benefits or tax relief, the Group's cash flow and profits may be affected adversely, resulting in a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

The Group's properties are subject to various real (that is, immovable) property taxes in the PRC that may increase as tax rates increase or as the properties are assessed or reassessed by relevant authorities. In addition, certain taxes such as property tax are subject to the discretion or practice of local tax bureaus in the PRC and thus the amount of tax payable may vary.

***The Group may be deemed a PRC resident enterprise under the PRC Corporate Income Tax Law and be subject to PRC taxation on its worldwide income***

Under the PRC corporate income tax (“CIT”) law (the “**PRC CIT Law**”), which came into effect on 1 January 2008 and was revised on 24 February 2017, enterprises established outside the PRC whose “de facto management bodies” are located in the PRC are considered “resident enterprises” and their global income will generally be subject to the uniform 25.0 per cent. PRC CIT rate. Under the Implementation Rules for the PRC CIT Law, “de facto management bodies” is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise.

A substantial part of the Group's management is currently based in the PRC and may remain in the PRC. In April 2009, the State Administration on Taxation (“**SAT**”) promulgated the “Notice on the Recognition of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises based on the Standards of the Organisations of Actual Management” (国家税务总局关于境外注册中资控股企业依据实际管理机构标准认定为居民企业有关问题的通知) to clarify the definition of “de facto management bodies” for enterprises incorporated overseas with controlling shareholders being onshore enterprises or enterprise groups in the PRC. However, it remains unclear how the tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise, as in the Group's case.

Under the “Announcement of the State Administration of Taxation on Printing and Distributing the Administrative Measures for Income Tax on Chinese-controlled Resident Enterprises Incorporated Overseas (Trial Implementation)” (关于印发《境外注册中资控股居民企业所得税管理办法(试行)》的公告), which was issued on July 2011 by SAT, a non-domestic resident enterprise shall, in accordance with the requirements of the PRC CIT Law, its implementing regulations and relevant administrative regulations, fulfil its corporate income tax liability and withhold income tax when paying the non-resident enterprise the amount as required in the third paragraph of Article 3 of the PRC CIT Law, in relation to the income generated from within the PRC.

The Group may be treated as a PRC resident enterprise for PRC CIT purposes. The tax consequences of such treatment are currently unclear as they will depend on how the PRC finance and tax authorities apply or enforce the PRC CIT Law and the implementation rules.

***The Group faces uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies***

On 3 February 2015, SAT issued the “Public Notice Regarding Collection of Corporate Income Tax by Indirect Transfer of Assets by Non-Resident Companies” (关于非居民企业间接转让财产企业所得税若干问题的公告) (“**Notice 7**”). Notice 7 stipulates that when a non-resident enterprise indirectly transfers equities and/or other assets of a Chinese resident enterprise not for any reasonable business purpose but to avoid its enterprise income tax payment obligation, such indirect transfer shall be treated as a direct transfer in accordance with the provisions of Article 47 of the PRC CIT Law, pursuant to which the tax authority has the right to adjust the transferor's tax liability within reasonable standards. The amount obtained by the transferor from the transfer of such equity and/or other assets may be taxable in the PRC.

There is uncertainty as to the application of Notice 7. For example, while the term “Indirect Transfer” is not clearly defined, it is understood that the relevant PRC tax authorities have jurisdiction regarding requests for information over a wide range of foreign entities having no direct contact with the PRC. Notice 7 may be determined by the tax authorities to be applicable to the Group’s private equity financing transactions where non-resident shareholders were involved, if any of such transactions were determined by the tax authorities to lack reasonable commercial purpose. As a result, the Group and its non-resident investors may become at risk of being taxed under Notice 7 and may be required to expend valuable resources to comply with Notice 7 or to establish that the Group should not be taxed under Notice 7, which may have a material adverse effect on the Group’s business, operations, results of operations, financial position and prospects.

In July 2017, First Sponsor Guangdong, an indirect wholly-owned subsidiary of the Company entered into an agreement to dispose its entire equity interest in Guangdong Idea Valley to a third party. As this disposal also concerned the indirect disposal of a PRC subsidiary, it may be considered as an Indirect Transfer by the relevant PRC tax authority. If this is the case, the Company may be required to make certain tax filings and/or pay taxes in respect of any gains from the disposal. In addition, if such filings are not made within the stipulated timeframe, the Group may be required to pay a penalty in addition to the tax payable in respect of any gains on disposal.

***It may be difficult to enforce service of process upon the Group’s executive officers who live in the PRC or to enforce any judgments obtained from non-PRC courts against the Group in the PRC***

Some of the Group’s executive officers are residents of the PRC. Therefore, it may be difficult or impossible to effect service of process upon those persons in the PRC. In addition, a substantial portion of the Group’s assets are located within the PRC. The PRC has not entered into any treaties providing for the reciprocal recognition and enforcement of judgements of courts with Singapore, Japan, the United States, the United Kingdom or most other western countries. As a result, it may be difficult or impossible to enforce against the Group in the PRC any judgements obtained from non-PRC courts.

## **GENERAL RISKS RELATING TO THE NETHERLANDS, GERMANY AND ITALY**

***The Group’s business is subject to the general legal environment in the Netherlands, Germany and Italy, any of which may change to the Group’s detriment***

The Group’s business is subject to the general legal framework applicable to real estate in the Netherlands, Germany and Italy. This framework includes a variety of laws, codes and regulations, including civil, corporate, tax, planning, zoning, environmental, health and safety and other laws, regulations and/or requirements, as well as specific laws such as Dutch, German and Italian tenancy law, and special provisions under other laws, including fire, health and safety protection and environmental protection, construction laws, historic preservation laws, social legislation and other public laws. Such laws and regulations could require the Group to undertake additional refurbishment, maintenance and modernisation measures.

Furthermore, any costs that the Group may have to incur to comply with such laws, codes and regulations are based on the assumption that the required permits are issued promptly and consistently with the Group’s schedules. There can be no assurance, however, that the required building permits are issued promptly or are issued without conditions that the Group is unable to satisfy. This may potentially result in substantial delays in the completion of such modernisation measures and result in the Group having to incur more significant costs than those that the Group had projected. The occurrence of any of these risks may materially and adversely affect the Group’s business, operations, results of operations, financial position and prospects.

The Group may be required to pay penalties and/or lose required permits or licences for non-compliance with any such laws, regulations and/or other requirements of local, regional and national authorities to which it is subject, as well as the authorities of the EU. Any changes to Dutch, German, Italian and European or other laws applicable to the Properties in the Netherlands, Germany and Italy, including changes with retrospective effect, or changes in the interpretation or application of existing laws may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

Although the Group takes steps to keep itself informed of potential changes to the legal, tax and regulatory environments in which it operates and where its members are formed, incorporated or registered, there can be no assurance that the Group will become aware of such changes in a timely manner. Any such changes or any failure of the Group to respond to such changes may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

#### ***Certain Properties located in the Netherlands are registered as contaminated land***

Several of the Properties in the Netherlands, including a number in the Bilderberg Portfolio, are "contaminated" within the meaning of the Soil Protection Act (*Wet Bodembescherming*), including the decisions and regulations related thereto. Furthermore, a number of these Properties are registered as contaminated in accordance with the Disclosure of Impediments under Public Law in respect of Real Estate Act (*Wet kenbaarheid publiekrechtelijke beperkingen onroerende zaken*). However, as there are no outstanding orders to investigate or clean up issued in respect of any of such Properties, the Group is currently not required to take any further action in relation to the soil contamination issues.

There is no assurance that the Group will not be required to incur expenses and make capital expenditures to comply with laws on soil contamination or other environmental laws in relation to any of its Properties. Should the Group be required to incur significant expenses or undertake significant capital expenditure in order to comply with applicable environmental laws, or should the use of the Properties be affected by applicable environmental laws, the business, operations, results of operations, financial position and prospects of the Group may be materially and adversely affected.

#### ***Asbestos-containing materials are present in the premises of certain of the Properties***

Asbestos-containing materials are present in the premises of certain of the Properties located in the Netherlands and Germany, in particular, those that were constructed before the Working Conditions Decree (*Arbeidsomstandighedenbesluit*) prohibiting asbestos-containing materials in new constructions and renovations came into effect in 1993. The Netherlands has relevant regulations in relation to the management of asbestos in buildings which the Group will have to comply with or procure compliance with on an ongoing basis. The regulations require, among other things, regular inspection and monitoring of the asbestos containing premises and if the Group removes the asbestos or renovates or demolishes the buildings, certain environmental regulations govern the manner in which the asbestos must be handled and removed, and the Group could incur substantial costs complying with such regulations. As at the Latest Practicable Date, the Group has not had any non-compliance with the relevant laws and regulations relating to the management of asbestos that will have a material effect on the Group. In addition, the Company is of the view that the presence of asbestos is common in older buildings and with proper management, the presence of asbestos-containing materials in certain of the Properties would not prevent or delay the sale of such properties.

If any of the Properties are found to be contaminated, the Group may be responsible for their full or partial decontamination. In such event, the Group may be required to incur unbudgeted expenditures in order to remedy such issues and may be liable to third parties for the

consequences of contamination and decontamination where the Group has agreed, or is required, to carry out decontamination works. There is also the possibility that the Group may be prosecuted by the relevant authorities for such contamination issues or be asked to remedy such issues. In such event, the business, operations, results of operations, financial position and prospects of the Group may be materially and adversely affected.

***The Properties are subject to planning and environmental restrictions***

The Properties located in the Netherlands, Germany and Italy are subject to zoning plans. Such plans effectively zone the areas for certain purposes, that is, stipulate the permitted use of the areas. As zoning plans restrict the use of an area, their stipulations restrict the pool of potential tenants for the Properties. Furthermore, these Properties may be subject to (conditions contained in) an environmental permit, which may also restrict the pool of potential tenants for the Properties concerned. Any restriction regarding the pool of tenants may affect the ability of the Group to find suitable tenants which may in turn materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

Further, where the current use of the affected Properties does not comply with the restrictions set out in the relevant zoning plan and/or environmental permit, the authorities may levy a fine and/or issue a stop order against the Group.

For instance, the Munthof and Hilton Rotterdam Hotel are listed buildings under the Netherlands Municipalities Act (*Gemeentewet*) and the Netherlands Heritage Act (*Erfgoedwet*), respectively, and are therefore protected monuments under such acts.

The classic wing of the Le Méridien Frankfurt, the Group's Property in Germany, is registered as a protected monument under the Hesse monument protection provisions. As such, the Group is required to obtain approval from the authority of the City of Frankfurt to implement any changes to the classic wing of the Le Méridien Frankfurt.

***The Group is subject to tenant protection laws in the Netherlands which may limit, among others, its ability to evict tenants, the levels of rent increases and the ability to pass on modernisation costs***

The Group is subject to tenant protection laws in the Netherlands which may limit, in certain instances, in material respects, the Group's ability to engage in certain actions with respect to the Properties, including without limitation, with respect to the eviction of tenants, levels of rent increases and the ability to pass on modernisation costs. These laws may change in the future, and any such changes may in turn materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

In the Netherlands, the landlord-tenant relationship is dependent on the tenancy regime that applies. Such regimes are subject to a significant level of statutory regulation. There are three relevant tenancy regimes applicable in the Netherlands, namely, (a) residential tenancy regime, (b) retail and similar business spaces (such as hotels) tenancy regime and (c) office and all other business spaces tenancy regime.

The residential tenancy regime generally provides far-reaching economic and social protection for tenants under residential leases. However, as the Group has not entered into any residential leases in the Netherlands, such a regime is not currently relevant for the Group.

The retail and similar business spaces tenancy regime general provides far-reaching economic protection for tenants under retail, hotel and similar business spaces leases. For instance, this regime stipulates that unless such leases are entered into for a period of less than two years, their terms have to be at least five years, after which they must be extended for another five years. The

landlord is entitled to terminate the lease agreement (by making a court application) after five years on very limited grounds. After 10 years or any subsequent extension period, the landlord is entitled to terminate the lease agreement (by making a court application) on very limited grounds as well. The tenant, on the other hand, is entitled to terminate a retail lease agreement at the expiry of a lease term without having to state any grounds. In the case of a lease for an indefinite term, the tenant and landlord may terminate the lease at all times (subject to a notification period), provided that the landlord may only be able to terminate on one of the statutory grounds. Furthermore, each of the parties of a retail lease may demand a rent review to align with the market rent of similar business spaces at the time of the demand for rent review, as a result of which the rental payable may be affected adversely.

There are minimal statutory regulations under the office tenancy regime.

The Group's portfolio is affected by the above-mentioned statutory and other regulations, and the growth of the Group's portfolio in the Netherlands, including rent levels and vacancy rates, may be limited by such regulations. This may materially and adversely affect the Group's business, operations, results of operations, financial position and prospects.

***The growth of the Group's portfolio may be limited by Dutch, German and other laws, including laws with respect to environmental modernisation, restrictions on modernisation alternatives and other regulations***

Any change to Dutch, German or other laws applicable to the Properties in the Group's portfolio, including the laws of the EU, may have an impact on its portfolio, and the growth of the Group's portfolio, including rent levels, and vacancy rates, may be limited by such changes. These laws and any changes to them may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

Based on environmental EU directives that have been implemented in the Netherlands and Germany, the landlord or the seller of a property will be required to provide an energy certificate to a lessee, or a purchaser, as the case may be, at the closing of a new lease or transfer of a property, respectively. Penalties may apply if such energy certificate is not presented. In addition, owners of properties with a centralised water facility are required to take measures to prevent the growth of legionella bacteria, for instance by periodic testing. Further, owners of properties are required to separate drinking water used for fire-fighting by establishing and maintaining separate lines for these systems.

In Germany, other heightened environmental laws may cause additional costs for the Group. For instance, landlords are responsible for making investments in renovation work for the purpose of reducing energy consumption (including through heat insulation). In certain circumstances, thermal renovation of the building may be necessary. For example, landlords are required to renovate the roofs of their let properties so as to meet minimum heat insulation standards.

In the case of listed historical buildings or monuments in the Netherlands and Germany, laws or regulations regarding the protection of historical buildings may entail increased expenditures on maintenance and modernisation procedures or may restrict the ability of the landlord or owner to carry out certain modernisation, improvement or maintenance measures. Such laws or regulations may have a negative impact on the Group's ability to sell or let such properties or to use them as security for financing purposes.

Any of these factors may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

### ***The Group is exposed to the risks of ground leases in the Netherlands***

Certain of the Properties in the Netherlands are on ground leases. In general, financing and sales in connection with properties located on ground leases are more difficult due to the restrictions typically found in ground leases, and the conditions of the ground lease agreements, such as their terms and payment obligations which are key parameters that impact the value of these properties. The ground lease agreements may contain provisions leading to the exceptional result of the loss of the ground leased Property if the Group is in material breach of the ground lease agreement. Furthermore, the Group may face changes in the terms and conditions of the ground lease agreement, for example with respect to payment obligations to the owner of the land. Unfavourable changes to the ground lease agreements or relevant regulations may limit the Group's ability to sell or refinance the Properties which are subject to ground leases, and may thereby decrease their value, or require the Group to write down their asset values as recorded on the Company's consolidated balance sheet. The occurrence of any of these factors may have a material adverse effect on the Group's business, operations, results of operations, financial position and prospects.

### ***One of the Properties is co-owned with third parties and subject to risks relating to the co-ownership of properties***

Meerparc is held in co-ownership. The ownership in Meerparc has been divided into two apartment rights, one of which has been further divided into sub-apartment rights. The Group holds one apartment right and, except for one sub-apartment right (which is owned by a third party), all of the sub-apartment rights are owned by the Group. The Group is currently in discussions to acquire the remaining sub-apartment right.

Under the laws of the Netherlands, a division into apartment rights entails that the property is owned collectively by all the apartment rights owners, but is divided (a) into units pertaining to which exclusive rights of use have been provided to the apartment rights owners in accordance with the terms of their apartment rights (known as the private areas of the co-ownership) and (b) into the common areas that may be used by all the apartment rights owners. Common areas may include the soil, foundations, main walls, lifts, stairways, corridors and technical plant rooms, which is similar to the concept of common areas in a property that is subject to strata-subdivision in Singapore. The common parts are divided into the smallest common denominator, for example in parts of 1,000, but each part is owned collectively by the owners.

The relationship between the various apartment rights owners is governed by the by-laws of the owners' association. These by-laws set out the responsibility of each co-owner for a part of the charges in respect of the common parts of the building in proportion to that which each holds in a descriptive document, and the necessary quorum and majority for relevant resolutions. Such resolutions may relate to the suppression of certain common facilities in the building and the carrying out of works on the common parts. All the co-owners belong to the owners' association and such an association makes all the decisions relating to the co-ownership in general meetings.

The conduct of voting at general meetings is such that each co-owner has as many votes as it has parts of the co-ownership. The by-laws prescribe the thresholds that have to be met in order for decisions to be made or the situations where decisions have to be made unanimously. As the Group has a majority stake in Meerparc, the votes of the other apartment rights owners are only required to the extent the by-laws prescribe that unanimous approval is required for decisions to be made.

Although the Group's interests are safeguarded as it will own fully its effective interest in Meerparc and can thus deal with its share of the Properties, the Group is exposed to the aforementioned risks relating to the co-ownership of assets in relation to its effective interest in Meerparc, which may have an impact on the liquidity, value and management of Meerparc.



### ***The Group may face labour disruptions that could interfere with its operations***

Labour law in the Netherlands provides a high level of protection to employees including, among others, bargaining rights. These employment rights may require the Group to expend greater time and costs in altering or amending its employees' terms of employment or discontinuing employment relationships. The Group cannot assure you that it will not experience disturbances occasioned by its labour force. Further, there is no assurance that, upon the expiry of existing collective bargaining agreements with the councils representing the Group's labour force, the Group will be able to reach new agreements on satisfactory terms or that it would reach an agreement on such new agreements without work stoppages or similar industrial actions.

In certain instances, the Group is required under Dutch laws to consult and seek the input of the works councils representing its employees on various matters. Such matters could include, among others, the transfer of control of the enterprise, disposal of assets held by the enterprise, significant reduction, expansion or other change in the enterprise's activities, major changes to the organisation or to the distribution of powers within the enterprise, making major investments and taking up major loans. While the Group has generally been able to successfully consult with these works councils and the Group regards its relationships with its executives, employees and their representatives as generally satisfactory, negotiations may be challenging in connection with the integration process of the Group, as the Group must have competitive cost structures in each market while meeting the compensation and benefits needs of its executives and employees. Consultations with works councils, industrial actions or other disturbances by the Group's workforce could disrupt its operations, result in a loss of reputation, increased wages and benefits or otherwise have a material and adverse effect on its business, operations, results of operations, financial position and prospects.

### ***The rental income of certain leases may be adjusted downwards if the relevant index drops below a certain prescribed level***

A number of leases contain rent adjustment clauses which provide for rent adjustments each time an index crosses or drops below a certain prescribed level. If the index crosses a certain level, the Group would benefit from rental uplift. However, in the event that the relevant index is not crossed, the Group would not benefit from the potential rental uplift pursuant to such rental adjustment clause. Conversely, if the index decreases by more than the relevant prescribed level, the rent adjustment clauses may result in the rent being adjusted downwards.

The standard applicable indexation mechanism is normally based on the Dutch Real Estate Council (*Raad voor Onroerende Zaken*) General Conditions which are a set of general terms and conditions on which leases are based. If no relevant deviation has been agreed, indexation cannot lead to a lower rent. Under Dutch mandatory law for retail premises, both the landlord and lessee may apply for a revision of the rent against the market value (*markthuurwaarde*) every five years. Such amendment can only be applied for after the first lease period and consecutively after every successive five-year period. Lease agreements often contain a clause indicating the first date a market rent review can be requested as well as the procedure that should be followed for submitting this request.

### ***The Group could incur liability in connection with the Properties, interests in companies or other assets that it sells***

When the Group sells its Properties, interests in companies that hold real estate or other assets, it is typically required to make representations, warranties, covenants and negative declarations of knowledge to purchasers with respect to certain characteristics of such Properties, interests or assets. The resulting obligations of the Group may continue to exist for a number of years after the Group sells such Properties, interests or assets. Among other things, the Group could be subject to claims for damages from purchasers who assert that the representations or warranties

that the Group made to them were untrue, or that the Group failed to meet its obligations under the relevant sale agreement. The Group could become involved in lengthy and expensive legal disputes with purchasers and could be required to make significant payments for restitution, damages or to settle disputes.

As a seller of Properties, interests in companies or other assets, the Group is also subject to other restrictions or requirements in the Netherlands and Germany. Failure to comply with these restrictions or requirements may expose the Group to legal, administrative or regulatory proceedings, sanctions or penalties. Legal or settlement costs, including the costs of defending lawsuits, whether justified or not, as well as potential damages associated with liability for the Properties, interests in companies or other assets that the Group has sold may have a material and adverse effect on the Group's business, operations, results of operations, financial position and prospects.

The occurrence of any of these factors may have a material adverse effect on the Group's business, operations, results of operations, financial position and prospects.

## **RISKS ASSOCIATED WITH THE SERIES 2 CONVERTIBLE SECURITIES**

### ***The Series 2 Convertible Securities may not be a suitable investment for all investors***

An investment in the Series 2 Convertible Securities involves certain risks including market risk, interest rate risk, foreign exchange risk, credit risk and liquidity risk. Investors should ensure that they fully understand the nature of all these risks before making a decision to invest in the Series 2 Convertible Securities. Each potential investor in the Series 2 Convertible Securities must also determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Series 2 Convertible Securities, the merits and risks of investing in the Series 2 Convertible Securities and the information contained in this Offer Information Statement and the Product Highlights Sheet;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Series 2 Convertible Securities and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Series 2 Convertible Securities;
- understand thoroughly the terms of the Series 2 Convertible Securities; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

The Series 2 Convertible Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Series 2 Convertible Securities which are complex financial instruments unless the potential investor has the expertise (either alone or with the help of a financial adviser) to evaluate how the Series 2 Convertible Securities will perform under changing conditions, the resulting effects on the value of such Series 2 Convertible Securities and the impact this investment will have on the potential investor's overall investment portfolio.

This Offer Information Statement and the Product Highlights Sheet are not and do not purport to be investment advice. Investors should conduct such independent investigation and analysis regarding the Series 2 Convertible Securities as they deem appropriate. Investors should also consult their own legal, tax, accounting, financial and other professional advisers to assist them in determining the suitability of the Series 2 Convertible Securities for them as an investment. Investors should make an investment only after they have determined that such investment is suitable for their financial investment objectives. Investors should consider carefully whether the Series 2 Convertible Securities are suitable for them in light of their experience, objectives, financial position and other relevant circumstances.

***The Series 2 Convertible Securities are perpetual convertible capital securities and Securityholders have no right to require redemption***

The Series 2 Convertible Securities are perpetual convertible capital securities and have no fixed redemption date. The Company is under no obligation to redeem the Series 2 Convertible Securities at any time and Securityholders have no right to require redemption. If not redeemed, the Series 2 Convertible Securities can only be disposed of by sale or by conversion into Conversion Shares. Securityholders who wish to sell their Series 2 Convertible Securities may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Series 2 Convertible Securities or if permission is not granted by the SGX-ST for the listing of and quotation for the Series 2 Convertible Securities on the Official List of the SGX-ST due to an insufficient spread of holdings of the Series 2 Convertible Securities to provide for an orderly market for the trading of the Series 2 Convertible Securities.

***Securityholders may not receive Distribution payments if the Company elects to defer Distribution payments under the Terms and Conditions of the Series 2 Convertible Securities***

The Company may, at its sole discretion and subject to certain conditions, elect not to pay any scheduled Distribution (or to pay only part of a scheduled Distribution) on the Series 2 Convertible Securities. If the Company makes such election, the Company will be subject to certain restrictions in relation to a dividend, distribution or other payment being declared or paid in respect of any of its Junior Obligations or (except on a *pro rata* basis with the Series 2 Convertible Securities) any of its Parity Obligations, and the redemption, reduction, cancellation, repurchase or acquisition for consideration of any of its Junior Obligations or (except on a *pro rata* basis with the Series 2 Convertible Securities) any of its Parity Obligations, in each case, other than (a) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, officers, directors or consultants of the Company or (b) as a result of the exchange or conversion of the Company's Parity Obligations for its Junior Obligations and unless and until (i) all outstanding Arrears of Distribution are satisfied in full or (ii) the Company is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed). The Company is not subject to any limit as to the number of times Distributions and Arrears of Distribution can be deferred pursuant to the Terms and Conditions of the Series 2 Convertible Securities, subject to compliance with such restrictions.

Subject to the Terms and Conditions of the Series 2 Convertible Securities, the Company may defer the payment of Distributions for an indefinite period of time. Although Arrears of Distribution are cumulative, no interest on any Arrears of Distribution will be payable to Securityholders. Any Arrears of Distribution due in respect of a Series 2 Convertible Security shall be extinguished by the Company in full through the delivery by the Company of the Conversion Shares upon the exercise of the Securityholder's Conversion Right in respect of such Series 2 Convertible Security. Upon compliance in full of the requirement under Condition 5 of the Terms and Conditions of the Series 2 Convertible Securities to deliver the Conversion Shares, the Company shall have no liability to pay the Arrears of Distribution due in respect of the converted Series 2 Convertible Security and no converting Securityholder shall have any claim in respect of such Arrears of Distribution.

Any such deferral of Distribution (including any Arrears of Distribution) shall not constitute a default for any purpose. Any deferral of Distribution will likely have an adverse effect on the market price of the Series 2 Convertible Securities. In addition, as a result of the Distribution deferral provision of the Series 2 Convertible Securities, the market price of the Series 2 Convertible Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Group's financial condition.

***The Company's obligations under the Series 2 Convertible Securities are subordinated***

The Series 2 Convertible Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company which rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Company. Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Company, the rights of the Securityholders to payment of the principal amount of the relevant Series 2 Convertible Security together with accrued and unpaid Distributions (including any unpaid Arrears of Distribution) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least *pari passu* with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Series 2 Convertible Securities, but always in priority to the claims of Shareholders.

In the event of a shortfall of funds on a winding-up of the Company, there is a real risk that an investor in the Series 2 Convertible Securities will lose all or some of his investment and will not receive a full return or any return of the principal amount or any unpaid amounts due under the Series 2 Convertible Securities.

If a Securityholder chooses to exercise his Conversion Right, the Conversion Shares that he will acquire will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allocations or other distributions, the record date for which falls prior to the relevant conversion date of the Series 2 Convertible Securities, subject to the Terms and Conditions of the Series 2 Convertible Securities but will rank junior to the claims of a Securityholder in the event of the winding-up. Hence, in a winding-up, a Securityholder who has exercised his Conversion Right and received Conversion Shares will, as a holder of Shares, be ranked lower than a Securityholder in respect of his Conversion Shares, and be subject to a higher risk of loss of investment if he chooses to exercise his Conversion Right instead of holding the Series 2 Convertible Securities prior to the winding-up.

***Shareholders will suffer dilution of their percentage of ownership of the Shares if they (a) do not or are not able to subscribe for the Series 2 Convertible Securities and other Securityholders subsequently convert their Series 2 Convertible Securities to receive Conversion Shares, or (b) do not exercise their Conversion Right (where they are also Securityholders) if other Securityholders do. Shareholders may also suffer economic dilution and may not participate in the Distributions if they do not or are not able to subscribe for the Series 2 Convertible Securities***

If any Shareholder does not or is not able to subscribe for the Series 2 Convertible Securities, and the Series 2 Convertible Securities are subscribed for by other investors, or if the Shareholder subscribes for the Series 2 Convertible Securities but does not exercise his Conversion Right when other Securityholders do, his proportionate voting and ownership interest will be reduced upon the issue of the Conversion Shares. The percentage that such Shareholder's Shares represent of the Company's enlarged share capital after the issue of the Conversion Shares will also be diluted. The magnitude of the reduction of a Shareholder's percentage ownership will depend upon the number of Series 2 Convertible Securities ultimately converted. Further, if any Shareholder does not subscribe for the Series 2 Convertible Securities, he will not be entitled to receive Distributions and will not be granted any right to receive Conversion Shares.

***Securityholders will have no rights as Shareholders until they acquire Conversion Shares upon the conversion of the Series 2 Convertible Securities, and may suffer dilution in their investment in the Series 2 Convertible Securities. In addition, upon the exercise of their Conversion Rights, Securityholders will have any Arrears of Distribution extinguished***

Subject to the Terms and Conditions of the Series 2 Convertible Securities, Securityholders have the right to convert their Series 2 Convertible Securities into Conversion Shares. Unless and until the Securityholders acquire Conversion Shares upon conversion of the Series 2 Convertible Securities, the Securityholders will have no rights as Shareholders (including voting rights and rights to receive dividends or distributions) with respect to the Conversion Shares. Except for limited cases under the adjustments to the Conversion Price, the Securityholder will be entitled only to rights that the Company may grant with respect to its Shares if and when it delivers Shares to the Securityholder upon conversion of its Series 2 Convertible Securities into Conversion Shares. For example, should the Company seek approval from Shareholders for a potential merger, or if an amendment is proposed to its Memorandum and Articles of Association which may require Shareholder approval, the Securityholders will not be entitled to vote on the merger or amendment with respect to the Conversion Shares.

Additionally, the Group may have to raise additional funds to meet new financial requirements, which may be by way of a further rights offering or through the issuance and placement of new Shares. In the event that a Securityholder is not a Shareholder at the time of such fundraising, he may be unable to participate in such fund raising and thereafter, if there is no adjustment to the Conversion Price in accordance with the Terms and Conditions of the Series 2 Convertible Securities, the percentage of such Securityholder's interest in the Company upon the exercise of his Conversion Right may also be diluted.

Securityholders who acquire the Conversion Shares upon the exercise of the Conversion Rights will be entitled to exercise rights as Shareholders only as to actions for which the applicable record date occurs on or after the relevant conversion date in respect of the Series 2 Convertible Securities, subject to the Terms and Conditions of the Series 2 Convertible Securities. The Conversion Shares which the Securityholder will receive upon conversion of his Series 2 Convertible Securities will be subject to all changes affecting the Shares.

Furthermore, it should be noted that any Arrears of Distribution due in respect of a Series 2 Convertible Security shall be extinguished by the Company in full through the delivery by the Company of Conversion Shares upon the exercise of the Securityholder's Conversion Right. Upon compliance in full of the requirements under the Terms and Conditions of the Series 2 Convertible Securities to deliver Conversion Shares, the Company shall have no liability to pay the Arrears of Distribution due in respect of the converted Series 2 Convertible Security and no converting Securityholder shall have any claim in respect of such Arrears of Distribution.

***The Rights Issue may cause the market value of the Shares to immediately decrease***

The Issue Price and the initial Conversion Price represents (i) a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which the Shares were traded on the SGX-ST prior to the release of the First Announcement and (ii) a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date. However, there is no assurance that the Issue Price or the Conversion Price will be at a discount or premium to or over the prevailing market price of the Shares at the time of conversion. The discount or premium represented by the Conversion Price to or over the prevailing market price of the Shares, as the case may be, at such time, coupled with the potential increase in the number of Shares of the Company upon the conversion of Series 2 Convertible Securities, may result in an immediate decrease in the market value of the Shares. The Issue Price and the Conversion Price do not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value. Hence, the Issue Price or the Conversion Price may not be an indication of any underlying value of Shares.

Any such decrease in market value may continue after the completion of the Rights Issue.

***There are limited remedies for non-payment under the Terms and Conditions of the Series 2 Convertible Securities***

As set out in the Section titled “**Risk Factors – Risks Associated with the Series 2 Convertible Securities – Securityholders are exposed to financial and credit risks**” of this Offer Information Statement, there is no assurance that the Company will have sufficient cash flow to meet payments under the Series 2 Convertible Securities.

In addition, any scheduled Distribution will not be considered due if the Company elects to defer that Distribution pursuant to the Terms and Conditions of the Series 2 Convertible Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute proceedings for winding-up of the Company is limited to circumstances where payment has become due in accordance with the Terms and Conditions of the Series 2 Convertible Securities and the Company fails to make the payment when due. The only remedy against the Company available to any Securityholder for recovery of amounts in respect of the Series 2 Convertible Securities following the occurrence of a payment default after any sum becomes due in respect of the Series 2 Convertible Securities will be the Trustee instituting winding-up proceedings and/or proving and/or claiming in winding-up in respect of any of the Company’s payment obligations arising from the Series 2 Convertible Securities.

***The Series 2 Convertible Securities may be redeemed at the Company’s option at any time on or after the date (expected to be 30 November 2019) falling six months from the Issue Date or on the occurrence of certain other events***

The Terms and Conditions of the Series 2 Convertible Securities provide that the Series 2 Convertible Securities are redeemable at the option of the Company in whole or in part, on or after the date (expected to be 30 November 2019) falling six months from the Issue Date, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Securityholders, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption. In addition, the Company also has the right to redeem the Series 2 Convertible Securities, in whole or in part, at any time on giving not less than 30 nor more than 60 days’ irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if (a) a Taxation Event has occurred, (b) there are any changes or amendments to the Relevant Accounting Standard such that the Series 2 Convertible Securities must not or must no longer be recorded as “equity” of the Company pursuant to the Relevant Accounting Standard, or (c) a Tax Deductibility Event has occurred. The Company also has the right to redeem the Series 2 Convertible Securities, in whole or in part, at any time on giving not less than 30 nor more than 60 days’ irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption if, before giving such notice, the aggregate principal amount of the Series 2 Convertible Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued (including any Further Securities issued).

Please see the Section titled “**Terms and Conditions of the Series 2 Convertible Securities – Redemption and Purchase**” of this Offer Information Statement for more information on the redemption of the Series 2 Convertible Securities.

The date on which the Company elects to redeem the Series 2 Convertible Securities may not accord with the preference of individual Securityholders. This may be disadvantageous to Securityholders in light of market conditions or the individual circumstances of the Securityholder.

In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Series 2 Convertible Securities.

A Securityholder shall no longer be able to convert the Series 2 Convertible Securities into Conversion Shares after the close of business (at the place where the relevant Certificate is delivered for conversion) on the 7th day before the date fixed for redemption of the Series 2 Convertible Securities.

***There is no prior market for the Series 2 Convertible Securities nor any assurance that one will develop to provide liquidity for the Series 2 Convertible Securities***

The Series 2 Convertible Securities are a new issue of securities for which there is currently no trading market. Although approval in-principle has been obtained from the SGX-ST for the listing of and quotation for up to 113,749,959 Series 2 Convertible Securities on the SGX-ST, no assurance can be given that an active trading market for the Series 2 Convertible Securities will develop or as to the liquidity or sustainability of any such market and the ability of Securityholders to sell their Series 2 Convertible Securities or the price at which Securityholders will be able to sell their Series 2 Convertible Securities.

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Series 2 Convertible Securities on the Official List of the SGX-ST due to an insufficient spread of holdings of the Series 2 Convertible Securities to provide for an orderly market in the trading of the Series 2 Convertible Securities, the Company shall nevertheless proceed and complete the Rights Issue and the Bonus Issue. In such an event, the Securityholders will not be able to trade their Series 2 Convertible Securities on the SGX-ST.

Even if an active trading market for the Series 2 Convertible Securities were to develop, the Series 2 Convertible Securities could trade at prices that may be lower than the Issue Price and/or the Conversion Price. Future trading prices of the Series 2 Convertible Securities will depend on many factors, including, but not limited to:

- prevailing interest rates and interest rate volatility;
- the market for similar securities;
- the Group's financial condition, financial performance and future prospects;
- the publication of earnings estimates or other research reports and speculation in the press or the investment community;
- changes in the Group's industry and competition; and
- general market, financial and economic conditions.

***The Company may raise or redeem other capital which affects the price of the Series 2 Convertible Securities***

The Company may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Company may issue or incur and which rank senior to, or *pari passu* with, the Series 2 Convertible Securities. Similarly, subject to compliance with the Terms and Conditions of the Series 2 Convertible Securities, the Company may redeem securities that rank junior to, *pari passu* with, or senior to the Series 2 Convertible Securities. The issue of any such securities, the incurrence of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by Securityholders on a winding-up of the Company, or may increase

the likelihood of a deferral of Distribution under the Series 2 Convertible Securities. The issue of any such securities, the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Series 2 Convertible Securities and/or the ability of Securityholders to sell their Series 2 Convertible Securities.

***The market value of the Series 2 Convertible Securities and Conversion Shares may be subject to fluctuation***

Trading prices of the Series 2 Convertible Securities and the Conversion Shares may be influenced by numerous factors, including (a) the market for similar securities, (b) the respective operating results and/or financial condition of the Group, (c) (in the case of the Series 2 Convertible Securities) the trading price of the Shares and (d) political, economic, financial and any other factors that can affect the capital markets, the industry and the Group. Adverse economic developments in Singapore as well as countries in which the Group operates or has business dealings could have a material adverse effect on the business, results of operations, financial position and prospects of the Group and the market value of the Series 2 Convertible Securities and the Conversion Shares. As a result, the market price of the Series 2 Convertible Securities may be above or below the Issue Price and the market price of the Conversion Shares may be above or below the Conversion Price.

***Further issues of perpetual securities having the same terms and conditions as the Series 2 Convertible Securities will not result in an adjustment to the Conversion Price***

The Company may from time to time without the consent of the Securityholders create and issue Further Securities in accordance with the Terms and Conditions of the Series 2 Convertible Securities, having substantially the same terms as the Series 2 Convertible Securities.

Under the Terms and Conditions of the Series 2 Convertible Securities, the issuance of such Further Securities shall not result in any adjustments being made to the Conversion Price of the outstanding Series 2 Convertible Securities.

***Future issues or sale of Shares and/or Series 2 Convertible Securities could adversely affect the Share price***

Any future issue or sale of Shares (for example, the issue of Conversion Shares upon conversion of the Series 2 Convertible Securities) and/or the Series 2 Convertible Securities (for example, the issue of Further Securities pursuant to Condition 13 of the Terms and Conditions of the Series 2 Convertible Securities) can have a downward pressure on the Share price. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue and the Bonus Issue or the perception that such sale may occur, could materially affect the market price of the Series 2 Convertible Securities, the Conversion Shares, the Warrants and the Warrant Exercise Shares. These factors may also affect the Company's ability to undertake future equity fund-raising.

***An investment in the Series 2 Convertible Securities is subject to interest rate risk***

Securityholders may suffer unforeseen losses (both realised and unrealised) due to fluctuations in interest rates. The Series 2 Convertible Securities are a form of fixed distribution security and may therefore see their price fluctuate due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Series 2 Convertible Securities. The market value of the Series 2 Convertible Securities may be similarly affected which may result in a capital loss for Securityholders. Conversely, when interest rates fall, the prices at which the Series 2 Convertible Securities trade may rise. Securityholders may enjoy a capital gain but Distributions received may be reinvested at lower prevailing interest rates.



***An investment in the Series 2 Convertible Securities is subject to inflation risk***

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders may have an anticipated real rate of return based on expected inflation rates on the purchase of the Series 2 Convertible Securities. An unexpected increase in inflation could reduce the actual real returns.

***The Series 2 Convertible Securities are structurally subordinated to any and all existing and future liabilities and obligations of the Company's subsidiaries, associated companies and joint ventures***

Most of the Company's assets are shareholdings (direct and indirect) in its subsidiaries, associated companies and joint ventures. Both the timing and the ability of certain subsidiaries, associated companies and joint ventures to pay dividends may be constrained by applicable laws. In the event that the Company's subsidiaries, associated companies and joint ventures do not pay any dividends or do so irregularly, the Group's cash flow may be adversely affected.

As a result of the holding company structure of the Group, the Series 2 Convertible Securities are structurally subordinated to any and all existing and future liabilities and obligations of the Company's subsidiaries, associated companies and joint ventures. Generally, claims of creditors, including trade creditors, of such companies will have priority with respect to the assets and earnings of such companies over the claims of the Company and its creditors, including the Securityholders to the extent that amounts are due and payable under the Series 2 Convertible Securities. The Series 2 Convertible Securities will not be secured or guaranteed.

***The Series 2 Convertible Securities issued under the Rights Issue may result in odd lots of Series 2 Convertible Securities***

The basis of allotment of Series 2 Convertible Securities under the Rights Issue (being one Series 2 Convertible Security for every seven existing Shares held by the Rights Issue Entitled Shareholders as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded) is likely to, depending on the number of Shares held by each Rights Issue Entitled Shareholder, create odd lots of Series 2 Convertible Securities to be issued under the Rights Issue. Such odd lots of Series 2 Convertible Securities are likely to be less liquid than whole board lots of Series 2 Convertible Securities comprising 100 Series 2 Convertible Securities as, among other things, it may be more difficult for holders of such odd lots of Series 2 Convertible Securities who wish to sell them to find a ready buyer on the market. Furthermore, there may be other minimum fees and expenses involved in the trading of odd lots of Series 2 Convertible Securities which may make trading of the odd lots of Series 2 Convertible Securities more costly on a per Series 2 Convertible Security basis as compared to trading in board lots of Series 2 Convertible Securities.

***Modification and waivers***

The Trust Deed contains provisions for calling meetings of Securityholders to consider matters affecting their interests generally, including the modification to the Terms and Conditions of the Series 2 Convertible Securities or any provision of the Trust Deed. These provisions permit defined majorities to bind all Securityholders, including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

The Trust Deed also provides that the Trustee may, without the consent or sanction of Securityholders, concur with the Company in making any modification to the Trust Deed or the Series 2 Convertible Securities which is, subject to the Terms and Conditions of the Series 2 Convertible Securities, in the opinion of the Trustee, may be expedient to make, provided that the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of

the Securityholders or which in the opinion of the Trustee is of a formal, minor or technical nature to correct a manifest error or to comply with mandatory provisions of Singapore or Cayman Islands law or is required by CDP.

### ***Consequences of non-availability of definitive security certificates in respect of the Series 2 Convertible Securities***

The Series 2 Convertible Securities will be in the form of the global certificate and no definitive security certificates will be issued under any circumstances unless (a) an Enforcement Event (as defined in the Terms and Conditions of the Series 2 Convertible Securities) has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Company that it is unable or unwilling to act as depository for the Series 2 Convertible Securities and to continue performing its duties set out in its terms and conditions for the provision of depository services and no alternative clearing system is available.

So long as the Series 2 Convertible Securities are represented by the global certificate and the global certificate is issued in the name of CDP, notices to Securityholders will only be valid if (a) despatched by uninsured post to persons who are for the time being shown in the records of CDP as a Securityholder or (b) if the rules of CDP so permit, delivered to CDP for communication by it to the Securityholders, except that for so long as the Series 2 Convertible Securities are listed on the SGX-ST and the rules of the SGX-ST so require, notices to Securityholders will be valid if either (i) published on the website of the SGX-ST at <http://www.sgx.com> or (ii) published in a leading English language newspaper having general circulation in Singapore. Where the Series 2 Convertible Securities are held by an investor in a securities sub-account with a Depository Agent, for notices under (a) above, such investor will have to rely on his Depository Agent to distribute notices to him. The Company, the Manager of the Rights Issue, the Trustee and the Agents accept no responsibility for any failure or delay on the part of the Depository Agents in doing so.

For so long as any of the Series 2 Convertible Securities is represented by the global certificate and the global certificate is registered in the name of CDP, each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Series 2 Convertible Securities shall be treated by the Company, the Trustee, the Paying Agent and the Registrar as the holder of such principal amount of Series 2 Convertible Securities standing to the credit of its securities account for all purposes other than with respect to the payment of principal, distribution, redemption or purchase and/or any other amounts which accrue or are otherwise payable by the Company through CDP in respect of the Series 2 Convertible Securities. Where the Series 2 Convertible Securities are held by an investor in his direct Securities Account with CDP, payments in respect of the Series 2 Convertible Securities will be credited through CDP from the Company. Where the Series 2 Convertible Securities are held by an investor in a securities sub-account and/or investment account with a Depository Agent, the investor will have to rely on his Depository Agent to credit his account with payments. The Company, the Manager of the Rights Issue, the Trustee, the Registrar and the Paying Agent accept no responsibility for any failure or delay on the part of the Depository Agents in performing their contractual duties to investors.

Holders of beneficial interests in the global certificate will not have a direct right to vote in respect of the Series 2 Convertible Securities. Instead, such holders will be permitted to act only to the extent that they are enabled to appoint appropriate proxies. Similarly, holders of beneficial interests in the global certificate will not have a direct right under the global certificate to take enforcement action against the Company except in certain limited circumstances in respect of the relevant Series 2 Convertible Securities and will have to rely upon their rights under the Trust Deed.

***The Trustee may request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction***

In certain circumstances (including the giving of a notice to the Company or taking action pursuant to the Terms and Conditions of the Series 2 Convertible Securities), the Trustee may, at its discretion, request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before taking proceedings to enforce repayment and taking action on behalf of Securityholders to convene meetings. The Trustee shall not be obliged to take any such action if it is not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact when such actions can be taken, or at all. The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations. In such event, to the extent permitted by the agreements (including the Terms and Conditions of the Series 2 Convertible Securities and the Trust Deed) and the applicable law, it will be for the Securityholders to take such action directly.

***The performance of contractual obligations by the Company is dependent on other parties***

The ability of the Company to make payments in respect of the Series 2 Convertible Securities may depend upon the due performance by the other parties to the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee and/or any of the Agents of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Company of its obligations to make payments in respect of the Series 2 Convertible Securities, the Company may not, in such circumstances, be able to fulfil its obligations to the Securityholders.

***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (a) Series 2 Convertible Securities and Conversion Shares are legal investments for it, (b) Series 2 Convertible Securities and Conversion Shares can be used as collateral for various types of borrowing, and (c) other restrictions apply to its purchase or pledge of any Series 2 Convertible Securities and Conversion Shares. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Series 2 Convertible Securities and Conversion Shares under any applicable risk-based capital or similar rules.

***Securityholders are exposed to financial and credit risks***

The Terms and Conditions of the Series 2 Convertible Securities provide for Distributions to be payable at specified periods regardless of the performance of the Group. In the event that the Group suffers a deterioration in its financial condition (such as a serious decline in net operating cash flows), there is no assurance that the Company will have sufficient cash flow to meet payments under the Series 2 Convertible Securities. Under such circumstances, the ability of the Company to comply with its payment obligations under the Trust Deed and the Series 2 Convertible Securities may be adversely affected. Securityholders should also note that the Distributions are deferrable indefinitely at the sole discretion of the Company, subject to the Terms and Conditions of the Series 2 Convertible Securities. No interest on any Distributions that are so deferred will be payable to Securityholders and any such deferred Distributions will be extinguished by the Company in full through the delivery by the Company of Conversion Shares upon the exercise of the Securityholder's Conversion Right.

***Exchange rate risks and exchange controls may result in Securityholders receiving less distributions or principal than expected***

The Company will pay Distributions on the Series 2 Convertible Securities in Singapore dollars. This presents certain risks relating to currency conversions if a Securityholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Singapore dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of Singapore dollars or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to Singapore dollars would decrease (a) the Investor's Currency equivalent yield on the Series 2 Convertible Securities, (b) the Investor's Currency equivalent value of the principal payable on the Series 2 Convertible Securities and (c) the Investor's Currency equivalent market value of the Series 2 Convertible Securities.

***A change in Cayman Islands and/or Singapore law may adversely affect Securityholders***

The Series 2 Convertible Securities are governed by Singapore law (save that clauses 2.2 to 2.5 of the Trust Deed and Condition 3 of the Terms and Conditions of the Series 2 Convertible Securities shall be governed by, and construed in accordance with, the laws of the Cayman Islands) in effect as at the date of issue of the Series 2 Convertible Securities. No assurance can be given as to the impact of any possible judicial decision in the Cayman Islands and/or Singapore or change to Cayman Islands and/or Singapore law or administrative practice after the date of issue of the Series 2 Convertible Securities.

***The Trust Deed does not contain some covenants which are present in the 2015 Debt Programme***

The Trust Deed will constitute the Series 2 Convertible Securities and will contain covenants by the Company in favour of the Trustee which would require the Company's compliance so long as any Series 2 Convertible Security remains outstanding. Not all the provisions of the Trust Deed (including representations and covenants) are the same as those set out in the trust deed in respect of the 2015 Debt Programme. For example, the trust deed in respect of the 2015 Debt Programme contains covenants (which are not present in the Trust Deed) that require the Company to, among other things, not undertake, permit or effect any re-organisations unless otherwise specified, not dispose of all or substantially all of its assets and ensure that the core business of the Group shall at all times remain the same. Investors should note that the Series 2 Convertible Securities are not issued under the 2015 Debt Programme and should consider carefully whether the Series 2 Convertible Securities are suitable for them on their own terms.

***The dealing in, listing of and quotation for additional Conversion Shares issued pursuant to any adjustments as set out in the Terms and Conditions of the Series 2 Convertible Securities (if any) are subject to approval by the SGX-ST***

In the event that adjustments are made to the Conversion Price pursuant to the Terms and Conditions of the Series 2 Convertible Securities such that additional Conversion Shares are required to be issued, the dealing in, listing of and quotation for such additional Conversion Shares on the Official List of the SGX-ST are subject to the SGX-ST's approval and there is no assurance that such approval will be obtained on a timely basis, or at all.

***Singapore taxation risk***

It is not clear whether the Series 2 Convertible Securities will be regarded as "debt securities" by the IRAS or whether the Distributions will be regarded as interest payable on indebtedness for the purposes of the ITA and whether the tax concessions available for "qualifying debt securities"

under the qualifying debt securities scheme (as set out in the Section titled “**Taxation – Singapore**” of this Offer Information Statement) would apply to the Series 2 Convertible Securities, or whether the Warrants would be subject to withholding tax upon their issuance.

If the Series 2 Convertible Securities are not regarded as “debt securities” or the Distributions made under the Series 2 Convertible Securities are not regarded as interest payable on indebtedness for the purposes of the ITA and Securityholders are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to Securityholders may differ.

In the event the IRAS does not regard the Series 2 Convertible Securities as “debt securities” but as equity instruments, Distributions (including Arrears of Distribution) from the Series 2 Convertible Securities may be regarded as dividends for Singapore income tax purposes.

In addition, if the IRAS does not agree that the Warrants are not subject to withholding tax upon their issuance, withholding tax may be imposed.

Investors, Securityholders, Entitled Shareholders and Warrantholders should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding, conversion, exercise and disposal (as the context may require) of the Series 2 Convertible Securities, Warrants and Shares.

In addition, the Series 2 Convertible Securities are intended to be “qualifying debt securities” for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the Section titled “**Taxation – Singapore**” of this Offer Information Statement. However, there is no assurance that the Series 2 Convertible Securities will enjoy or will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time.

## **RISKS ASSOCIATED WITH THE WARRANTS**

### ***The Warrants may expire and become worthless if not exercised by the expiry of the Exercise Period***

The Warrants to be issued pursuant to the Rights Issue and the Bonus Issue will have an Exercise Period of 60 months from their issue date, subject to the Terms and Conditions of the Warrants set out in the Deed Poll. In the event that the Warrants are not exercised by the end of the Exercise Period, the Warrants will expire and become worthless.

### ***The listing of the Warrants is subject to a sufficient spread of holdings***

In the event that permission is not granted by the SGX-ST for the listing of and quotation for the Warrants due to an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Company shall nevertheless proceed with and complete the Rights Issue and the Bonus Issue. In such event, Warrantholders will not be able to trade their Warrants on the SGX-ST.

### ***The dealing in, listing of and quotation for additional Warrants issued pursuant to any adjustments as set out in the Terms and Conditions of the Warrants (if any), and additional Warrant Exercise Shares pursuant to an exercise of such additional Warrants are subject to approval by the SGX-ST***

In the event that adjustments are made to the number of Warrants pursuant to the Terms and Conditions of the Warrants such that additional Warrants are required to be issued, the dealing in, listing of and quotation for such additional Warrants, and additional Warrant Exercise Shares

pursuant to an exercise of such additional Warrants on the Official List of the SGX-ST are subject to the SGX-ST's approval and there is no assurance that such approval will be obtained on a timely basis or at all.

***The exercise of the Warrants may cause the market value of the Shares to immediately decrease***

The Exercise Price represents (i) a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which the Shares were traded on the SGX-ST prior to the release of the First Announcement and a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date, respectively. However, there is no assurance that the Exercise Price will be at a discount or premium to or over the prevailing market price of the Shares at the time of exercise. The discount or premium represented by the Exercise Price to or over the prevailing market price of the Shares, as the case may be at such time, coupled with the potential increase in the number of Shares upon the exercise, may result in an immediate decrease in the market value of the Shares. The Exercise Price does not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value. Hence, the Exercise Price may not be an indication of any underlying value of Shares.

***Warrantheolders will have no rights as Shareholders until they acquire Warrant Exercise Shares upon the exercise of the Warrants***

Subject to the Terms and Conditions of the Warrants, Warrantheolders have the right to exercise their Warrants to subscribe for Warrant Exercise Shares. Unless and until the Warrantheolders acquire Warrant Exercise Shares upon the exercise of the Warrants, the Warrantheolders will have no rights as Shareholders (including voting rights and rights to receive dividends or distributions) with respect to the Warrant Exercise Shares. Except for limited cases under the adjustments to the Exercise Price and number of Warrants, the Warrantheolder will be entitled only to rights that the Company may grant with respect to its Shares if and when it delivers Shares to the Warrantheolder upon exercise of its Warrants to subscribe for Warrant Exercise Shares. For example, should the Company seek approval from Shareholders for a potential merger, or if an amendment is proposed to its Memorandum and Articles of Association which may require Shareholder approval, the Warrantheolders will not be entitled to vote on the merger or amendment with respect to the Warrant Exercise Shares.

Warrantheolders who acquire the Warrant Exercise Shares upon the exercise of the Warrants will be entitled to exercise rights as Shareholders only as to actions for which the applicable record date occurs on or after the relevant exercise date in respect of the Warrant Exercise Shares, subject to the Terms and Conditions of the Warrants. The Warrant Exercise Shares which the Warrantheolder will receive upon exercise of his Warrants will be subject to all changes affecting the Shares.

***There may be further issues of Shares***

Subject to the Terms and Conditions of the Warrants set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit, but the Warrantheolders shall not have any participating rights in such further issues unless otherwise resolved by the Company in a general meeting or in the event of a takeover offer to acquire Shares.

### ***Amendment of the Terms and Conditions of the Warrants***

The Terms and Conditions of the Warrants contain provisions for calling meetings of Warrantheolders to consider matters affecting their interests generally, including the sanctioning of a modification of the Warrants or the Deed Poll. These provisions permit defined majorities to bind all Warrantheolders, including Warrantheolders who did not attend and vote at the relevant meeting and Warrantheolders who voted in a manner contrary to the majority.

The Company may, without the consent of the Warrantheolders, but in accordance with the Deed Poll, effect any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll, which, in the opinion of the Company, (a) is not materially prejudicial to the interests of the Warrantheolders or (b) is of a formal, technical or minor nature, or (c) is to correct a manifest error or to comply with mandatory provisions of Singapore law or (d) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Warrant Exercise Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST.

### ***There may not be an active or liquid market for the Warrants***

There is no assurance that an active or liquid market for the Warrants will develop or, if it develops, will be sustained after the Rights Issue and the Bonus Issue. The Company is unable to predict the extent to which a trading market will develop, if at all, or how liquid that market may become. Any secondary market activities may not be continuous or regular and the value of the Warrants may fluctuate for various reasons over which the Company has no control. There is no assurance as to the ability of investors to sell, or the prices at which investors would be able to sell, the Warrants.

Further, the demand for the Warrants, its price fluctuations as well as trading volume may vary from that of the Shares.

### ***Shareholders will suffer dilution of their percentage of ownership of the Shares if they (a) do not or are not able to subscribe for the Series 2 Convertible Securities with Warrants and other Warrantheolders subsequently exercise their Warrants to subscribe for Warrant Exercise Shares, or (b) do not exercise their Warrants (where they are also Warrantheolders) if other Warrantheolders do***

If any Shareholder is not entitled to participate in the Rights Issue or if any Rights Issue Entitled Shareholder does not subscribe for the Series 2 Convertible Securities with Warrants, and the Series 2 Convertible Securities with Warrants are subscribed for by other investors, or if the Shareholder subscribes for the Series 2 Convertible Securities with Warrants but does not exercise his Conversion Right when other Securityholders do and/or does not exercise his Warrants when other Warrantheolders do, his proportionate voting and ownership interest will be reduced upon the issue of the Conversion Shares and/or the issue of Warrant Exercise Shares (as the case may be). The percentage that such Shareholder's Shares represent of the Company's enlarged share capital after the issue of the Conversion Shares and/or Warrant Exercise Shares will also be reduced. The magnitude of the reduction of such Shareholder's percentage ownership will depend upon the number of Series 2 Convertible Securities ultimately converted and the number of Warrants ultimately exercised.

Furthermore, if any Rights Issue Entitled Shareholder does not subscribe for the Series 2 Convertible Securities with Warrants, he will not be granted any right to receive the Warrants under the Rights Issue and accordingly, will not be able to exercise such Warrants into Warrant Exercise Shares.

Additionally, the Group may have to raise additional funds to meet new financial requirements, which may be by way of a further rights offering or through the issuance and placement of new Shares. In the event that a Warrantholder is not a Shareholder at the time of such fundraising, he may be unable to participate in such fund raising and thereafter, if there is no adjustment to the Exercise Price and/or the number of Warrants in accordance with the Terms and Conditions of the Warrants, the percentage of such Warrantholder's interest in the Company upon the exercise of his Warrants may also be diluted.

***The Warrants issued under the Rights Issue and Bonus Issue may result in odd lots of Warrants***

The basis of allotment of Warrants under the Rights Issue (being one Warrant for each Series 2 Convertible Security validly subscribed for) and the basis of allotment of Warrants under the Bonus Issue (being one Warrant for every 10 existing Shares held by the Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded) are likely to, depending on the number of Series 2 Convertible Securities subscribed for and the number of Shares held by each Entitled Shareholder, create odd lots of Warrants to be issued under the Rights Issue and the Bonus Issue. Such odd lots of Warrants are likely to be less liquid than whole board lots of Warrants comprising 100 Warrants as, among other things, it may be more difficult for holders of such odd lots of Warrants who wish to sell them to find a ready buyer on the market. Furthermore, there may be other minimum fees and expenses involved in the trading of odd lots of Warrants which may make trading of the odd lots of Warrants more costly on a per Warrant basis as compared to trading in board lots of Warrants.



## CLEARING, SETTLEMENT AND CUSTODY FOR THE SERIES 2 CONVERTIBLE SECURITIES

*The following is a summary of the clearance, settlement and custody arrangements for the Series 2 Convertible Securities.*

### **Clearance and Settlement through CDP**

The Series 2 Convertible Securities, upon being accepted for clearance by CDP, will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**Depository System**”) maintained by CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

The Series 2 Convertible Securities, upon being accepted for clearance by CDP, are to be held by CDP in the form of a global certificate for persons holding the Series 2 Convertible Securities in Securities Accounts with CDP (together, the “**Securities Depositors**”). Delivery and transfer of the Series 2 Convertible Securities between Securities Depositors is by electronic book-entries in the records of CDP only, as reflected in the Securities Accounts of Securities Depositors.

All trades executed on the SGX-ST shall settle on the second business day following the transaction date. Settlement of over-the-counter trades in the Series 2 Convertible Securities through the Depository System may be effected through securities sub-accounts held with Depository Agents. Depositors holding the Series 2 Convertible Securities in direct securities accounts with CDP, and who wish to trade Series 2 Convertible Securities through the Depository System, must transfer the Series 2 Convertible Securities to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfers of interests in the Series 2 Convertible Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, the Manager of the Rights Issue, the Trustee, the Agents, the Warrant Agent, the Share Registrar or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

### **Custody Arrangements with Depository Agents**

Definitive security certificates or certificates representing the Series 2 Convertible Securities will not be issued to individual Securityholders (except in the limited circumstances described in the provisions of the global certificate).

The Series 2 Convertible Securities, as represented by the global certificate, will be credited to the accounts of the Securityholders with CDP. For so long as the Series 2 Convertible Securities are represented by the global certificate held through CDP, the Depository Agents and individual Securityholders with direct Securities Accounts will be treated as Securityholders for all purposes other than with respect to the payment of principal, distributions or other amounts in respect of the Series 2 Convertible Securities, the right to which shall be vested, as against the Company, solely in the registered holder of the global certificate.

### **Clearing Fees**

With effect from 1 June 2014, a clearing fee for the trading of the Series 2 Convertible Securities on the Main Board of the SGX-ST is payable at the rate of 0.0325 per cent. of the transaction value. The clearing fee may be subject to goods and services tax at the prevailing rate (currently 7.0 per cent.).

## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

### 1. Rights Issue Entitled Shareholders

Rights Issue Entitled Shareholders<sup>(1)</sup> are entitled to participate in the Rights Issue and to receive this Offer Information Statement and the Product Highlights Sheet together with the ARE or the PAL (as the case may be), and other accompanying documents at their respective Singapore addresses. Rights Issue Entitled Depositors who do not receive this Offer Information Statement, the Product Highlights Sheet and the ARE may obtain them from CDP during the period from the date the Rights Issue commences up to the Closing Date. Rights Issue Entitled Scripholders who do not receive this Offer Information Statement, the Product Highlights Sheet and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Rights Issue Entitled Shareholders will be provisionally allotted the Series 2 Convertible Securities with Warrants under the Rights Issue on the basis of their shareholdings as at the Rights Issue Books Closure Date. They are at liberty to accept (in full or in part) or decline their provisional allotments of Series 2 Convertible Securities with Warrants, and are eligible to apply for additional Series 2 Convertible Securities with Warrants in excess of their provisional allotments under the Rights Issue. Further, in the case of the Rights, Rights Issue Entitled Shareholders are at liberty to renounce or, in the case of Rights Issue Entitled Depositors only, trade on the SGX-ST (during the Rights trading period prescribed by the SGX-ST) their Rights.

All fractional entitlements to the Series 2 Convertible Securities with Warrants will be disregarded in arriving at the entitlements of Rights Issue Entitled Shareholders and will, together with such Series 2 Convertible Securities with Warrants that are not validly taken up by Rights Issue Entitled Shareholders, their respective renounee(s) or Purchaser(s), and any Series 2 Convertible Securities with Warrants that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in this Offer Information Statement, the ARE and the PAL and (if applicable) the Memorandum and Articles of Association of the Company, be aggregated and used to satisfy excess Series 2 Convertible Securities with Warrants applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In compliance with the conditions set out in the AIP, in the allotment of excess Series 2 Convertible Securities with Warrants, preference will be given to the rounding of odd lots and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, including RHRL, MCHIL and TTAPL, will rank last in priority for the rounding of odd lots and the allotment of excess Series 2 Convertible Securities with Warrants.

The Series 2 Convertible Securities will initially be represented by a global certificate registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the global certificate, owners of interests in Series 2 Convertible Securities represented by the global certificate will not be entitled to receive definitive security certificates in respect of their individual holdings of Series 2 Convertible Securities.

**Accordingly, Rights Issue Entitled Scripholders and their renounees who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants, and who wish to trade the Series 2 Convertible Securities and the Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open Securities Accounts if they have not already done so, and provide their Securities**

**Account numbers and or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs. Rights Issue Entitled Scripholders and their renounees who fail to provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Series 2 Convertible Securities and the Warrants that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars given to CDP for the opening of their Securities Accounts or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP are liable to have their acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants rejected.**

**Unless otherwise determined in the sole discretion of the Company, all dealings in and transactions of the Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Rights Issue Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.**

(a) Rights Issue Entitled Scripholders

Rights Issue Entitled Scripholders must have opened Securities Accounts and deposited their share certificates with CDP prior to the Rights Issue Books Closure Date so that their Securities Accounts may be credited by CDP with the Rights. Rights Issue Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

(b) Rights Issue Entitled Depositors

Rights Issue Entitled Depositors should note that all notices and documents will be sent to their last registered addresses with CDP. To this end, any request to update CDP's records or to effect any change in address must have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588 at least three Market Days before the Rights Issue Books Closure Date.

For investors who hold Shares under the SRS or through finance companies and/or Depository Agents, acceptances of the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants must be done through their respective approved banks in which they hold their SRS Accounts, finance companies and/or Depository Agents. Such investors are advised to provide their relevant approved banks in which they hold their SRS Accounts, respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of Participating Banks, the Share Registrar and/or the Company will be rejected.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sale of the provisional allotments of Series 2 Convertible Securities with Warrants and for the application for excess Series 2 Convertible Securities with Warrants, including the different modes of acceptance or application and payment, are contained in **Appendices G to I** to this Offer Information Statement and in the ARE, the ARS and the PAL.

**Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, the Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Rights to any Securities Account, the receipt of any Rights, or receipt of this Offer Information Statement, the Product Highlights Sheet and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue. Investors are cautioned to note the offering, selling and transfer restrictions set forth in the Section titled “Offering, Selling and Transfer Restrictions” of this Offer Information Statement.**

**Note:**

- (1) As at the date of this Offer Information Statement, 307,682 Shares are held by Wenjiang BVI, a wholly-owned subsidiary of the Company. Although Wenjiang BVI is a Rights Issue Entitled Shareholder, it will not be subscribing for its provisional allotments of the Series 2 Convertible Securities with Warrants under the Rights Issue. However, Wenjiang BVI will be able to trade its Rights on the SGX-ST during the Rights trading period.

## **2. Foreign Shareholders**

This Offer Information Statement, the Product Highlights Sheet and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement, the Product Highlights Sheet and its accompanying documents, and the purchase of, exercise of or subscription for Rights, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and/or the Warrant Exercise Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of, countries other than Singapore, may be restricted, prohibited or otherwise affected by the laws of the relevant jurisdiction.

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore wishing to take up their Rights or apply for excess Series 2 Convertible Securities with Warrants under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his position should consult his professional advisers without delay.

Receipt of this Offer Information Statement, the Product Highlights Sheet, a PAL, ARE or ARS or the crediting of Rights to a Securities Account will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Offer Information Statement, the Product Highlights Sheet and the AREs, ARS or PALs must be treated as sent for information only and should not be copied or redistributed.

The Series 2 Convertible Securities with Warrants will only be provisionally allotted to the Rights Issue Entitled Shareholders on the basis of their shareholdings as at the Rights Issue Books Closure Date. In addition, this Offer Information Statement, the Product Highlights Sheet, the AREs, ARSs and PALs will not be sent to, and Rights will not be credited to Securities Accounts of Shareholders (being Depositors) with registered addresses in any jurisdiction outside Singapore or their agent or intermediary outside Singapore.

No person receiving a copy of this Offer Information Statement, the Product Highlights Sheet, a PAL, ARE or ARS and/or a credit of Rights to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him, nor should he in any event use any such PAL, ARE or ARS and/or accept any credit of Rights to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him and such PAL, ARE or ARS and/or credit of Rights or Series 2 Convertible Securities to a Securities Account could lawfully be used or accepted, and any transaction resulting from such use or acceptance could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Offer Information Statement, the Product Highlights Sheet, the PAL, ARE or ARS must be treated as sent for information only and should not be copied or redistributed.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Offer Information Statement, the Product Highlights Sheet and/or a PAL, ARE or ARS or whose Securities Accounts are credited with Rights should not distribute or send the same or transfer Rights, in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If this Offer Information Statement, the Product Highlights Sheet, a PAL, ARE or ARS or a credit of Rights is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the Rights, and renounce such PAL, ARE or ARS or transfer the Rights unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who forwards this Offer Information Statement, the Product Highlights Sheet or a PAL, ARE or ARS or transfers Rights into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section as well as relevant sections of this Offer Information Statement.

The Company reserves the right to treat as invalid any PAL, ARE or ARS which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore which requires the Company to despatch security certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation or warranty. The Company further reserves the right to reject any acceptances of the provisional allotments of Series 2 Convertible Securities with Warrants and/or applications for excess Series 2 Convertible Securities with Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

**Foreign Shareholders will not be allowed to participate in the Rights Issue. Accordingly, no provisional allotments of the Series 2 Convertible Securities with Warrants will be made to Foreign Shareholders and no purported acceptance of provisional allotments of Series 2 Convertible Securities with Warrants or application for Series 2 Convertible Securities with Warrants by Foreign Shareholders will be valid.**

This Offer Information Statement, the Product Highlights Sheet and its accompanying documents relating to the Rights Issue will also not be despatched to Foreign Shareholders or Foreign Purchasers.

For the avoidance of doubt, even if a Foreign Shareholder has provided a Singapore address as aforesaid, any offer of Rights, Series 2 Convertible Securities or Warrants to him will be subject to compliance with applicable securities laws outside Singapore.

### **3. Treatment of Un-allotted Rights of Foreign Shareholders**

This Offer Information Statement and its accompanying documents (including the Product Highlights Sheet) will also not be despatched to Foreign Purchasers. Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident. Purchasers of Rights are advised to note the offering, selling and transfer restrictions set forth in the Section titled “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement.

The Company shall have the absolute discretion to deal with the Rights which would otherwise have been provisionally allotted to Foreign Shareholders.

No Foreign Shareholder or persons acting for the account or benefit of any such persons shall have any claim whatsoever against the Company, the Manager of the Rights Issue, CDP, the Participating Banks, the SRS agent banks or the Share Registrar and their respective officers in connection therewith.

Any Series 2 Convertible Securities with Warrants not provisionally allotted, taken up or allotted for any reason shall be used to satisfy applications for excess Series 2 Convertible Securities with Warrants (if any).

Please refer to the Section titled “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement for further information. The Company and the Manager of the Rights Issue reserve the absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so.

**Notwithstanding anything herein, Shareholders and any other person having possession of this Offer Information Statement, the Product Highlights Sheet and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement, the Product Highlights Sheet and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights, Series 2 Convertible Securities, Warrants, Conversion Shares and/or Warrant Exercise Shares unless such offer, invitation or solicitation could lawfully be made without violating any other regulatory or legal requirements in such territory.**

## ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE BONUS ISSUE

### 1. Bonus Issue Entitled Shareholders

Bonus Issue Entitled Shareholders<sup>(1)</sup> are entitled to participate in the Bonus Issue and to receive this Offer Information Statement, the Product Highlights Sheet and the accompanying documents at their respective Singapore addresses. Bonus Issue Entitled Depositors who do not receive this Offer Information Statement and the Product Highlights Sheet may obtain them from CDP from the date of despatch of this Offer Information Statement to 30 May 2019. Bonus Issue Entitled Scripholders who do not receive this Offer Information Statement and the Product Highlights Sheet may obtain them from the Share Registrar from the date of despatch of this Offer Information Statement to 30 May 2019.

Fractional entitlements to the Warrants will be disregarded and will not be allotted to Bonus Issue Entitled Shareholders in accordance with the terms of the Bonus Issue and shall be dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

**Note:**

(1) As at the date of this Offer Information Statement, 307,682 Shares are held by Wenjiang BVI, a wholly-owned subsidiary of the Company. As Wenjiang BVI is a Bonus Issue Entitled Shareholder, it will be issued 30,768 Warrants under the Bonus Issue.

### 2. Foreign Shareholders

This Offer Information Statement, the Product Highlights Sheet and any accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement, the Product Highlights Sheet and any accompanying documents, and the offer, issue, purchase, exercise of or subscription for the Warrants and/or the Warrant Exercise Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of, countries other than Singapore, may be restricted, prohibited or otherwise affected by the laws of the relevant jurisdiction.

**For practical reasons and to avoid any violation of the securities legislation applicable in countries other than Singapore, this Offer Information Statement and the Product Highlights Sheet have not been and will not be despatched to Foreign Shareholders or Foreign Purchasers or to any jurisdictions outside Singapore.**

**Foreign Shareholders will not be allowed to participate in the Bonus Issue. No allotment and issuance of the Warrants under the Bonus Issue will be made to Foreign Shareholders.**

For the avoidance of doubt, even if a Foreign Shareholder has provided a Singapore address, his participation in the Bonus Issue will be subject to compliance with applicable securities laws outside Singapore.

**Notwithstanding the above, Shareholders or any other person having possession of this Offer Information Statement and the Product Highlights Sheet are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving this Offer Information Statement and the Product Highlights Sheet may treat the same as an offer, invitation or solicitation to subscribe for any Warrants and/or Warrant Exercise Shares.**



## OFFERING, SELLING AND TRANSFER RESTRICTIONS

### GENERAL

No action has been taken or will be taken to permit a public offering of the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, the Product Highlights Sheet, any accompanying documents or any other material relating to the Company, the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the Authority.

Accordingly, the Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel in connection with the Rights Issue and the Bonus Issue, and prior to accepting any provisional allotments of Series 2 Convertible Securities with Warrants, applying for excess Series 2 Convertible Securities with Warrants or making any offer, sale, resale, pledge or other transfer of the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares.

The Company and the Manager of the Rights Issue have not taken any action, nor will the Company and the Manager of the Rights Issue take any action, in any jurisdiction that would permit a public offering of the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares, or the possession, circulation or distribution of this Offer Information Statement, the Product Highlights Sheet or any other material relating to the Company, the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares in any jurisdiction where action for that purpose is required, other than Singapore.

The distribution of this Offer Information Statement, the Product Highlights Sheet and/or any accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders or any other persons having possession of this Offer Information Statement, the Product Highlights Sheet and/or any accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement, the Product Highlights Sheet and/or any accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any of the Series 2 Convertible Securities, the Warrants, the Conversion Shares or the Warrant Exercise Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulations or legal requirements in such territory.

**THIS OFFER INFORMATION STATEMENT, THE PRODUCT HIGHLIGHTS SHEET AND THE ACCOMPANYING DOCUMENTS ARE BEING SUPPLIED TO YOU SOLELY FOR YOUR INFORMATION AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.**

## **CAYMAN ISLANDS**

The Conversion Shares and the Warrant Exercise Shares may not be offered to the public in the Cayman Islands unless the Conversion Shares or the Warrant Exercise Shares, as the case may be, are listed on the Cayman Islands Stock Exchange.

## TRADING

### **Dealing in, Listing of and Quotation for the Series 2 Convertible Securities, the Warrants, the Conversion Shares and the Warrant Exercise Shares**

The AIP granted by the SGX-ST on 2 April 2019 is subject to the following conditions:

- (a) compliance with the listing requirements of the SGX-ST;
- (b) announcement of the conditions under which the Conversion Price may be adjusted and the conditions under which the Series 2 Convertible Securities may be redeemed;
- (c) the General Share Issue Mandate being approved by Shareholders at the 2019 AGM; and
- (d) submission of:
  - (i) a written confirmation that the Rights Issue and the Bonus Issue are in compliance with the Cayman Companies Law;
  - (ii) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue and from the exercise of the Warrants and where the proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - (iii) a written undertaking from the Company that the Rights Issue will comply with the requirements under Rule 820(1) of the Listing Manual;
  - (iv) a written confirmation from the Company that the terms of the Series 2 Convertible Securities do not permit revision of the Conversion Price or ratio in any form, other than in compliance with Rule 829(1) of the Listing Manual;
  - (v) a written confirmation from a financial institution that M&C UK, TTAPL and CDTF have the necessary financial resources as required under Rule 877(9) of the Listing Manual;
  - (vi) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the Listing Manual with regard to the allotment of any excess Series 2 Convertible Securities with Warrants;
  - (vii) a duly signed undertaking in the format set out in Appendix 2.3.1 of the Listing Manual;
  - (viii) (where applicable) a copy of the signed subscription agreement, agent bank agreement and fiscal and agency agreement in relation to the Series 2 Convertible Securities; and
  - (ix) a written confirmation from the Company that there is a satisfactory spread of registered holders (at least 100) to provide an orderly market for the Series 2 Convertible Securities and Warrants, in compliance with Rule 826 of the Listing Manual.

The AIP granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Bonus Issue, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained (if any) or opinions expressed in this Offer Information Statement. In the event that there are adjustments to the Conversion Price and/or number of Warrants (as the case may be) which would require Adjustment Securities to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such Adjustment Securities on the Official List of the SGX-ST at the relevant time.

Upon listing and quotation on the Official List of the SGX-ST, the Series 2 Convertible Securities and the Warrants will be traded under the book-entry (scripless) settlement system. The Series 2 Convertible Securities may also be traded over-the-counter on the Debt Securities Clearing and Settlement System. All dealings in and transactions (including transfers) of the Series 2 Convertible Securities and the Warrants effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited”, (in the case of the Warrants) the “Terms and Conditions for the Central Depository (Pte) Limited to act as Depository for the Warrants” and (in the case of the Series 2 Convertible Securities) the terms and conditions contained in the Depository Agreement, as the same may be amended from time to time, copies of which are available from CDP.

The Series 2 Convertible Securities will initially be represented by a global certificate registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the global certificate, owners of interests in the Series 2 Convertible Securities represented by the global certificate will not be entitled to receive definitive security certificates in respect of their individual holdings of the Series 2 Convertible Securities.

**Accordingly, Bonus Issue Entitled Scripholders who wish to receive Warrants pursuant to the Bonus Issue, as well as Rights Issue Entitled Scripholders and their renounees who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants, and (if applicable) apply for excess Series 2 Convertible Securities with Warrants, and who wish to trade the Series 2 Convertible Securities or the Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open Securities Accounts if they have not already done so, and provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs (where applicable). Rights Issue Entitled Scripholders or their renounees who fail to provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs (where applicable) or who have given incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Series 2 Convertible Securities or the Warrants that may be allotted to them or (where applicable) whose particulars as provided in the forms comprised in the PALs differ from those particulars given to CDP for the opening of their Securities Accounts or (where applicable) whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP are liable to have their acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants rejected.**

If a Rights Issue Entitled Scripholder’s address stated in the PAL is different from his address maintained in the records of CDP, he must inform CDP of his updated address immediately, failing which the notification letter on successful allotment and other correspondence will be sent to his address last maintained in the records of CDP.

### **Trading of Odd Lots**

For the purposes of trading on the Main Board of the SGX-ST, each board lot of the Series 2 Convertible Securities will comprise 100 Series 2 Convertible Securities with a principal amount of S\$130, each board lot of the Warrants will comprise 100 Warrants, each board lot of Conversion Shares and/or Warrant Exercise Shares (as the case may be) will comprise 100 Shares.

Shareholders who hold odd lots of the Series 2 Convertible Securities (that is, lots other than board lots of 100 Series 2 Convertible Securities with a principal amount of S\$130), odd lots of the Warrants or odd lots of single 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 S\$1.30 in principal amount of Series 2 Convertible Securities, odd lots of one Warrant and odd lots of one Share, as the case may be, on the Unit Share Market.

Shareholders who hold odd lots of the Series 2 Convertible Securities, the Warrants or Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Series 2 Convertible Securities, Warrants or Shares, as the case may be.

## TAKE-OVERS

The Code regulates the acquisition of shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, where:

- (a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30.0 per cent. or more of the voting rights of the company; or
- (b) any person who, together with parties acting in concert with him, holds not less than 30.0 per cent. but not more than 50.0 per cent. of the voting rights of the company and such person, or any party acting in concert with him, acquires in any period of six months additional shares carrying more than 1.0 per cent. of the voting rights of the company,

such person must extend a mandatory take-over offer immediately to the shareholders for the remaining shares in the company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of parties acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into, rights to subscribe for and options in respect of new shares which carry voting rights (such as the Series 2 Convertible Securities and the Warrants) does not give rise to an obligation to make a mandatory take-over offer under the Code. However, the exercise of any conversion or subscription rights or options will be considered to be an acquisition of voting rights for the purposes of the Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of and conversion of the Series 2 Convertible Securities into Conversion Shares or any acquisition of and exercise of the Warrants into Warrant Exercise Shares (as the case may be) should consult the Securities Industry Council and/or their professional advisers.

## TAXATION

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and the Cayman Islands and administrative guidelines issued by the relevant authorities in force as at the date of this Offer Information Statement and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retrospective basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offer Information Statement are intended or are to be regarded as advice on the tax position of any holder of the Series 2 Convertible Securities, Warrants or Shares, or of any person acquiring, selling, converting, exercising or otherwise dealing with the Series 2 Convertible Securities, Warrants or Shares or on any tax implications arising from the acquisition, sale, conversion, exercise or other dealings in respect of the Series 2 Convertible Securities, Warrants or Shares. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to purchase, own, convert, exercise or dispose of the Series 2 Convertible Securities, Warrants or Shares and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Series 2 Convertible Securities, Warrants or Shares are advised to consult their own professional tax advisers as to the tax consequences of the acquisition, ownership, conversion, exercise or disposal (as the context may require) of the Series 2 Convertible Securities, Warrants or Shares, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Company, the Manager of the Rights Issue, and any other persons involved in the sale or issuance of the Series 2 Convertible Securities, Warrants or Shares accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding, conversion, exercise or disposal (as the context may require) of the Series 2 Convertible Securities, Warrants or Shares.*

### **Singapore**

*The disclosure below is based on the assumptions that the IRAS regards the Series 2 Convertible Securities as “debt securities” for the purposes of the ITA and that Distribution payments made under the Series 2 Convertible Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied, and that the IRAS agrees that the Warrants would not be subject to withholding tax upon their issuance to persons who have validly subscribed for the Series 2 Convertible Securities through the Rights granted under the Rights Issue and the Bonus Issue Entitled Shareholders. If the Series 2 Convertible Securities are not regarded as “debt securities” for the purposes of the ITA and/or any Distribution payments made under the Series 2 Convertible Securities are not regarded as interest payable on indebtedness and/or holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to Securityholders may differ. In addition, if the IRAS does not agree that the Warrants would not be subject to withholding tax upon their issuance to persons who have validly subscribed for the Series 2 Convertible Securities through the Rights granted under the Rights Issue and the Bonus Issue Entitled Shareholders, withholding tax may be imposed. Investors and prospective holders of the Series 2 Convertible Securities or Warrants should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding, conversion, exercise and disposal (as the context may require) of the Series 2 Convertible Securities or Warrants.*

*An advance tax ruling will be requested from the IRAS to confirm, among other things, whether the IRAS would regard the Series 2 Convertible Securities as “debt securities” for the purposes of the ITA and the Distributions (including any Arrears of Distribution) as interest payable on indebtedness such that Securityholders may enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme (as elaborated upon further below) are satisfied and whether the Warrants will be subject to withholding tax upon their issuance to persons who have validly subscribed for the Series 2 Convertible Securities through the Rights granted under the Rights Issue and the Bonus Issue Entitled Shareholders. There is no guarantee that any favourable confirmation or ruling will be obtained from the IRAS.*

### **Interest and other payments**

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium or break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

References to “**break cost**”, “**prepayment fee**” and “**redemption premium**” in this Singapore tax disclosure have the same meaning as defined in the ITA.



The terms “**break cost**”, “**prepayment fee**” and “**redemption premium**” are defined in the ITA as follows:

- (a) “**break cost**” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
- (b) “**prepayment fee**” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
- (c) “**redemption premium**” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

In addition, as the issuance of the Series 2 Convertible Securities is managed by United Overseas Bank Limited, which is a Financial Sector Incentive (Capital Market) Company, the Series 2 Convertible Securities issued as debt securities during the period from the date of this Offer Information Statement to 31 December 2023 would be “qualifying debt securities” for the purposes of the ITA, to which the following treatments shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Company, or such other person as the Authority may direct, of a return on debt securities for the Series 2 Convertible Securities within such period as the Authority may specify and such other particulars in connection with the Series 2 Convertible Securities as the Authority may require to the Authority and the inclusion by the Company in all offering documents relating to the Series 2 Convertible Securities of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Series 2 Convertible Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Series 2 Convertible Securities using funds from that person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from the Series 2 Convertible Securities paid by the Company and derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Series 2 Convertible Securities are not obtained from such operation in Singapore, are exempt from Singapore tax;
- (b) subject to certain conditions having been fulfilled (including the furnishing by the Company, or such other person as the Authority may direct, of a return on debt securities for the Series 2 Convertible Securities within such period as the Authority may specify and such other particulars in connection with the Series 2 Convertible Securities as the Authority may require to the Authority), Specified Income from the Series 2 Convertible Securities paid by the Company and derived by any company or body of persons (as defined in the ITA) in Singapore is generally subject to tax at a concessionary rate of 10 per cent.; and

(c) subject to:

- (i) the Company including in all offering documents relating to the Series 2 Convertible Securities a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (that is, the Specified Income) derived from the Series 2 Convertible Securities is not exempt from tax shall include such income in a return of income made under the ITA; and
- (ii) the Company, or such other person as the Authority may direct, furnishing to the Authority a return on debt securities for the Series 2 Convertible Securities within such period as the Authority may specify and such other particulars in connection with the Series 2 Convertible Securities as the Authority may require,

payments of Specified Income derived from the Series 2 Convertible Securities are not subject to withholding of tax by the Company.

However, notwithstanding the foregoing:

- (a) if during the primary launch of the Series 2 Convertible Securities, the Series 2 Convertible Securities are issued to fewer than four (4) persons and 50 per cent. or more of the issue of the Series 2 Convertible Securities is held beneficially or funded, directly or indirectly, by a related party or related parties of the Company, the Series 2 Convertible Securities would not qualify as “qualifying debt securities”; and
- (b) even though the Series 2 Convertible Securities are “qualifying debt securities”, if, at any time during the tenure of the Series 2 Convertible Securities, 50 per cent. or more of the issue of the Series 2 Convertible Securities which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the Company, Specified Income derived from the Series 2 Convertible Securities held by:
  - (i) any related party of the Company; or
  - (ii) any other person who acquires the Series 2 Convertible Securities with funds obtained, directly or indirectly, from any related party of the Company,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Company is permitted to make payments of Specified Income in respect of the Series 2 Convertible Securities without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Series 2 Convertible Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

## **Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Series 2 Convertible Securities, Warrants and Shares will not be taxable in Singapore. However, any gains derived by any person from the sale of the Series 2 Convertible Securities, Warrants and Shares which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

A conversion of the Series 2 Convertible Securities into Shares may be regarded as a disposal for Singapore income tax purposes and a holder of the Series 2 Convertible Securities may therefore need to recognise a gain or loss. Such gain or loss may be income or capital in nature depending on the holder's circumstances.

Securityholders who adopt or are adopting Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement ("**FRS 39**"), Singapore Financial Reporting Standard 109 – Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Series 2 Convertible Securities, the Warrants and Shares, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the sub-section titled "**Adoption of FRS 39, FRS 109 or SFRS(I) 9 treatment for Singapore income tax purposes**" of this Offer Information Statement.

## **Dividend distributions**

With effect from 1 January 2008, all Singapore-resident companies are under the one-tier corporate tax system ("**one-tier system**"). Under the one-tier system, the tax on corporate profits is final and dividends paid by a Singapore resident company will be tax exempt in Singapore in the hands of a shareholder, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident. Accordingly, under the one-tier system, assuming that the Company is a Singapore-resident company, any dividends declared and paid by the Company will not be subject to Singapore tax in the hands of shareholders.

## **Adoption of FRS 39, FRS 109 or SFRS(I) 9 treatment for Singapore income tax purposes**

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has issued a circular entitled "Income Tax Implications arising from the adoption of FRS 39 – Financial Instruments: Recognition and Measurement".

FRS 109 or SFRS(I) 9 is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Series 2 Convertible Securities, Warrants or Shares who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding, conversion, exercise or disposal (as the context may require) of the Series 2 Convertible Securities, Warrants and Shares.

### ***Estate Duty***

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

### ***Stamp Duty***

No stamp duty is payable on the subscription of the Shares.

However, stamp duty is payable on the instrument of transfer of the Shares at the rate of 0.2 per cent. on the consideration for, or market value of, the Shares, whichever is higher. The stamp duty is borne by the purchaser unless there is an agreement to the contrary. Where an instrument of transfer is executed outside Singapore, or no instrument of transfer is executed, no stamp duty is payable on the acquisition of the Shares. However, stamp duty will be payable if the instrument of transfer is executed outside Singapore and is received in Singapore.

Stamp duty is not applicable to electronic transfers of the Shares through the scripless trading system operated by CDP.

### ***Cayman Islands***

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties.

## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement and the Product Highlights Sheet, statements made in public announcements, press releases and oral statements that may be made by the Company or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, “anticipate”, “aim”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “predict”, “probable”, “project”, “seek”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s future financial position, operating results, business strategies, plans and future prospects are forward-looking statements.

These forward-looking statements, including, but not limited to, statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement and the Product Highlights Sheet regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from any actual, future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement and the Product Highlights Sheet, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of the Company, the Manager of the Rights Issue or any other person represents or warrants that the Group’s actual, future results, performance or achievements will be as discussed in those statements.

In light of the ongoing uncertainties in the global financial markets and its contagion effect on the real economy, any forward-looking statements contained in this Offer Information Statement and the Product Highlights Sheet must be considered with significant caution and reservation.

Further, each of the Company and the Manager of the Rights Issue disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority but before the Closing Date and are material, or are required to be disclosed by law and/or the SGX-ST, the Company will make an announcement of the same via the SGXNET.

**DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE  
OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS)  
(SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS)  
REGULATIONS 2018**

For the purposes of this Section, “Group” refers to the Company and its subsidiaries.

---

**PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS**

**Directors**

- 
- 1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.**
- 

<b>Names of Directors</b>	<b>Address</b>
<b>Mr. Ho Han Leong Calvin Non-Executive Chairman</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
<b>Mr. Ho Han Khoon Alternate Director to the Non-Executive Chairman, Mr. Ho Han Leong Calvin</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
<b>Mr. Kingston Kwek Eik Huih Non-Executive Director</b>	9 Raffles Place, #61-00 Republic Plaza Singapore 048619
<b>Mr. Neo Teck Pheng Group Chief Executive Officer and Executive Director</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
<b>Ms. Ting Ping Ee, Joan Maria Independent Director</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
<b>Mr. Yee Chia Hsing Lead Independent Director</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
<b>Mr. Wee Guan Oei Desmond Independent Director</b>	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942

## Advisers

---

2. Provide the names and addresses of – (a) the issue manager to the offer, if any; (b) the underwriter to the offer, if any; and (c) the legal adviser for or in relation to the offer, if any.
- 

- (a) the issue manager to the offer, if any;

**Manager of the Rights Issue**

**United Overseas Bank Limited**

80 Raffles Place  
UOB Plaza  
Singapore 048624

There is no manager appointed in respect of the Bonus Issue.

- (b) the underwriter to the offer, if any; and

Not applicable. The Rights Issue is not underwritten.

Not applicable for the Bonus Issue.

- (c) the legal adviser for or in relation to the offer, if any.

- (i) legal adviser to the Company as to Singapore law

**WongPartnership LLP**

12 Marina Boulevard Level 28  
Marina Bay Financial Centre Tower 3  
Singapore 018982

- (ii) legal adviser to the Company as to Cayman Islands law

**Conyers Dill & Pearman Pte. Ltd.**

9 Battery Road  
#20-01 MYP Centre  
Singapore 049910

- (iii) legal adviser to the Manager of the Rights Issue as to Singapore law in relation to the Rights Issue

**Allen & Gledhill LLP**

One Marina Boulevard  
#28-00  
Singapore 018989

## Registrars and Agents

---

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.
- 

**(a) Share Registrar and Share Transfer Office**

**Tricor Barbinder Share Registration Services**  
**(a division of Tricor Singapore Pte. Ltd.)**  
80 Robinson Road  
#11-02  
Singapore 068898

**(b) Receiving Bank for the Rights Issue**

**United Overseas Bank Limited**  
80 Raffles Place  
UOB Plaza  
Singapore 048624

**(c) Trustee for the Series 2 Convertible Securities**

**Perpetual (Asia) Limited**  
16 Collyer Quay #07-01  
Singapore 049318

**(d) Paying Agent and Calculation Agent for the Series 2 Convertible Securities**

**Perpetual (Asia) Limited**  
16 Collyer Quay #07-01  
Singapore 049318

**(e) Registrar for the Series 2 Convertible Securities**

**Tricor Barbinder Share Registration Services**  
**(a division of Tricor Singapore Pte. Ltd.)**  
80 Robinson Road  
#11-02  
Singapore 068898

**(f) Conversion and Transfer Agent for the Series 2 Convertible Securities**

**Tricor Barbinder Share Registration Services**  
**(a division of Tricor Singapore Pte. Ltd.)**  
80 Robinson Road  
#11-02  
Singapore 068898

**(g) Warrant Agent**

**Tricor Barbinder Share Registration Services**  
**(a division of Tricor Singapore Pte. Ltd.)**  
80 Robinson Road  
#11-02  
Singapore 068898



## PART 3 – OFFER STATISTICS AND TIMETABLE

### Offer Statistics

---

1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.
- 

#### Rights Issue

A renounceable and non-underwritten rights issue of up to S\$147,649,108.10<sup>(1)</sup> in aggregate principal amount of Series 2 Convertible Securities, with up to 113,576,237<sup>(1)</sup> free detachable Warrants, on the basis of: (a) one Series 2 Convertible Security for every seven existing Shares held by Rights Issue Entitled Shareholders as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded; and (b) one Warrant for every one Series 2 Convertible Security validly subscribed for.

Assuming that (a) all the Series 2 Convertible Securities under the Rights Issue are fully subscribed for, (b) there are no adjustments to the Conversion Price and (c) all the Series 2 Convertible Securities are converted into Conversion Shares, the maximum number of Conversion Shares is 113,576,237.

Assuming that (a) all the Series 2 Convertible Securities under the Rights Issue are fully subscribed for, (b) no additional Warrants are issued pursuant to any adjustments as set out in the Terms and Conditions of the Warrants, and (c) all the Warrants issued under the Rights Issue are exercised for Warrant Exercise Shares, the maximum number of Warrant Exercise Shares arising from the Rights Issue only is 113,576,237.

#### Bonus Issue

A bonus issue of up to 79,503,366<sup>(1)</sup> Warrants on the basis of one Warrant for every 10 existing Shares held by Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded.

Assuming that (a) the maximum number of Warrants available under the Bonus Issue are issued, (b) no additional Warrants are issued pursuant to any adjustments as set out in the Terms and Conditions of the Warrants and (c) all the Warrants issued under the Bonus Issue are exercised for Warrant Exercise Shares, the maximum number of Warrant Exercise Shares arising from the Bonus Issue only is 79,503,366.

#### **Note:**

- (1) As Foreign Shareholders will not be allowed to participate in the Bonus Issue, no Warrants will be issued to them. Accordingly, the actual number of Warrants that are issued under the Bonus Issue may be lower. In addition, the actual principal amount of Series 2 Convertible Securities and the actual number of Warrants which are issued under the Rights Issue may be lower, depending on the level of subscription.

### Method and Timetable

---

2. Provide the information mentioned in paragraphs 3 to 7 of this Part to the extent applicable to (a) the offer procedure; and (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
- 

Please refer to paragraphs 3 to 7 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities**

3. **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period must be made public.**
- 

Please refer to the Section titled “**Indicative Timetable**” of this Offer Information Statement.

Rights Issue

The timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the timetable set out in the Section titled “**Indicative Timetable**” of this Offer Information Statement to be modified. However, the Company may, in consultation with the Manager of the Rights Issue and with the approval of the SGX-ST, modify the timetable, subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through an announcement to be posted on the internet at the SGX-ST’s website at <http://www.sgx.com>.

Please refer to **Appendices G to I** to this Offer Information Statement for details of the procedures for acceptances of and/or applications for, and payment for, the Series 2 Convertible Securities with Warrants under the Rights Issue.

Bonus Issue

Not applicable.

---

4. **State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**
- 

Rights Issue

The Series 2 Convertible Securities with Warrants are payable in full upon acceptance and/or application. The latest date and time for acceptances of, excess applications and payment for the Series 2 Convertible Securities with Warrants is 24 May 2019 at 5.00 p.m. or, in the case of acceptance and/or excess applications and payment through an ATM of a Participating Bank, 24 May 2019 at 9.30 p.m.

The Warrants are issued free on the basis of one Warrant for every Series 2 Convertible Security validly subscribed for under the Rights Issue, with no obligation on the part of the Warrantheolders to exercise the Warrants.

Please refer to **Appendices G to I** to this Offer Information Statement for further details of the procedures for acceptances of and/or applications for, and payment for the Series 2 Convertible Securities with Warrants.

## Bonus Issue

The Warrants are issued free to the Bonus Issue Entitled Shareholders, with no obligation on their part to exercise the Warrants. The terms and conditions of the Bonus Issue, including the method and time limit for payment of the Exercise Price and the Exercise Period of the Warrants, are found in the Sections titled “**Summary of the Bonus Issue**” and “**Summary of the Terms and Conditions of the Warrants**”, as well as the Terms and Conditions of the Warrants as set out in **Appendix B** to this Offer Information Statement.

---

### 5. State, where applicable, the methods of and time limits for –

- (a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and
- (b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.

---

## Rights Issue

The Series 2 Convertible Securities with Warrants will be provisionally allotted to Rights Issue Entitled Shareholders on or around 9 May 2019 by crediting the Rights to the Securities Accounts of Rights Issue Entitled Depositors maintained with CDP or through the despatch of the PALs to Rights Issue Entitled Scripholders.

The Series 2 Convertible Securities will, on issue, initially be represented by a global certificate registered in the name of and deposited with CDP. Except in the limited circumstances described in the provisions of the global certificate, owners of interests in the Series 2 Convertible Securities represented by the global certificate will not be entitled to receive definitive security certificates in respect of their individual holdings of Series 2 Convertible Securities. The Series 2 Convertible Securities will not be issued in bearer form. Upon crediting of the Series 2 Convertible Securities to the Securities Accounts of the relevant subscribers, it is expected that CDP will send to the relevant subscriber, at the relevant subscriber’s own risk, within 14 days, a notification letter stating the number of Series 2 Convertible Securities credited to the relevant subscriber’s Securities Account.

Unless otherwise determined at the sole discretion of the Company, the Warrants will, on issue, be registered in the name of CDP and held by CDP for and on the behalf of the relevant owners of interests in the Warrants. Physical certificate(s) representing such number of Warrants are expected to be sent to (where the Warrants are registered in the name of CDP) CDP within 10 Market Days of the Closing Date. The Warrants will not be issued in bearer form. It is expected that CDP will then send to such subscribers, at their own risk, within 14 days, a notification letter showing the number of Warrants that have been credited to the relevant Securities Account of such subscribers.

Please refer to **Appendices G to I** to this Offer Information Statement and the ARE, the ARS and the PAL for further details.

Rights Issue Entitled Scripholders and their renounees who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants, and who wish to trade the Series 2 Convertible Securities or the Warrants (as the case may be) issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open Securities Accounts if they

have not already done so, and provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs. Rights Issue Entitled Scripholders or their renounees who fail to provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Series 2 Convertible Securities or the Warrants (as the case may be) that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars given to CDP for the opening of their Securities Accounts or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP are liable to have their acceptances of their provisional allotments of the Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants rejected.

#### Bonus Issue

Unless otherwise determined at the sole discretion of the Company, the Warrants will, on issue, be registered in the name of CDP and held by CDP for and on behalf of the relevant owners of interests in the Warrants. Physical certificate(s) representing such number of Warrants are expected to be sent to (where the Warrants are registered in the name of CDP) CDP within 10 Market Days of the Closing Date. The Warrants will not be issued in bearer form. It is expected that CDP will then send to such Bonus Issue Entitled Shareholders, at their own risk, within 14 days, a notification letter showing the number of Warrants that have been credited to the relevant Securities Account of such Bonus Issue Entitled Shareholders.

- 
- 6. In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**
- 

#### Rights Issue

Save for the Rights Issue, none of the Shareholders have pre-emptive rights to subscribe for the Series 2 Convertible Securities with Warrants. Please refer to **Appendices G to I** to this Offer Information Statement and the ARE, the ARS and the PAL for details on the procedures for the acceptance of the Rights, application for excess Series 2 Convertible Securities with Warrants, trading of the Rights on the SGX-ST and the treatment of Rights which are not accepted.

#### Bonus Issue

Not applicable.

- 
- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**
-

## Rights Issue

### *Results of the Rights Issue*

As soon as practicable after the Closing Date, the Company will publicly announce the results of the allotment of the Series 2 Convertible Securities with Warrants, including the final principal amount of Series 2 Convertible Securities and the final number of Warrants to be issued pursuant to the Rights Issue, via the SGXNET which will be posted on the internet at the SGX-ST's website at <http://www.sgx.com>. The final number of Warrants to be issued pursuant to the Bonus Issue will also be announced.

### *Manner of Refund*

When any acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants and/or application for excess Series 2 Convertible Securities with Warrants is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer;
- (b) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained with the Share Registrar; and
- (c) where the acceptance and/or application had been made through Electronic Applications through an ATM of a Participating Bank, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Company's and CDP's obligations, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had accepted the provisional allotments of Series 2 Convertible Securities with Warrants or applied for excess Series 2 Convertible Securities with Warrants through CDP).

Please refer to **Appendices G to I** to this Offer Information Statement for further details.

## Bonus Issue

The Warrants to be issued pursuant to the Bonus Issue are issued free on the basis of one Warrant for every 10 existing Shares held by Bonus Issue Entitled Shareholders as at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded. There will not be applications, excess applications or refunds.

The terms and conditions of the Bonus Issue, including the Terms and Conditions of the Warrants, are found in the Sections titled “**Summary of the Bonus Issue**” and “**Summary of the Terms and Conditions of the Warrants**”, as well as the Terms and Conditions of the Warrants as set out in **Appendix B** to this Offer Information Statement.

## PART 4 – KEY INFORMATION

### Use of Proceeds from Offer and Expenses Incurred

---

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
- 

Please refer to paragraphs 2 to 7 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**” of this Offer Information Statement.

---

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.
  3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.
- 

#### Proceeds from the issuance of the Series 2 Convertible Securities under the Rights Issue

Assuming that the maximum of S\$147,649,108.10 in aggregate principal amount of Series 2 Convertible Securities is issued pursuant to the Rights Issue at the Issue Price (the “**Maximum Subscription Scenario**”), the estimated gross proceeds from the issue of such Series 2 Convertible Securities are expected to be approximately S\$147.6 million (the “**Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue**”).

After deducting professional fees and related expenses estimated to be incurred in connection with the Rights Issue and the Bonus Issue of approximately S\$1.3 million (the “**Related Fees and Expenses**”), the estimated net proceeds from the issue of the Series 2 Convertible Securities under the Rights Issue are expected to be approximately S\$146.3 million (the “**Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue**”). As the Rights Issue and the Bonus Issue are being undertaken concurrently and the Warrants to be issued under the Rights Issue and the Bonus Issue will be fungible, the professional fees and related expenses estimated to be incurred in connection with the Bonus Issue are also comprised within the Related Fees and Expenses.

Subsequent to the First Announcement and upon further evaluation of the capital requirements of the Group's businesses based on its revised plans and estimates, the Company has decided to allocate the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue as follows:

- (a) 48.3 per cent. of the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to repay borrowings incurred by the Group to fund the Dresden Acquisition;
- (b) 33.5 per cent. of the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to partially satisfy the estimated consideration for the Group's acquisition of a controlling equity stake in Concord Focus Development Limited ("**CFDL**") in connection with the Concord Acquisition; and
- (c) 18.2 per cent. of the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to fund potential property development projects and/or acquisitions of properties held for income, and/or the property financing business.

Please refer to paragraph 5 of the Section titled "**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**" of this Offer Information Statement.

The foregoing represents the Company's best estimate of the allocation of the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue based on its current plans and estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to re-allocate the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue or to use the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue or portions of it for other purposes. In the event that the Company decides to re-allocate the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue or use portions of it for other purposes, the Company will publicly announce its intention to do so.

#### Future Proceeds from the Exercise of the Warrants

As the Warrants are offered free, there will be no proceeds raised initially from the issue of the Warrants under the Rights Issue and the Bonus Issue.

Assuming that the maximum number of 193,079,603 Warrants is issued under the Rights Issue and the Bonus Issue, all such Warrants are exercised at the Exercise Price, and no adjustments are made to the Exercise Price and/or the number of Warrants, the estimated gross proceeds from the exercise of the Warrants are expected to be approximately S\$251.0 million (the "**Gross Proceeds from the Exercise of the Warrants**" and, together with the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue, the "**Total Proceeds**").

The Company intends to use the Gross Proceeds from the Exercise of the Warrants to fund property development projects and/or acquisition of properties (including hotels) held for income, and/or its property financing business and for general working capital purposes. As the actual amount of Gross Proceeds from the Exercise of the Warrants will depend on the number of Warrants which are exercised and given that there is no certainty as to when (if at all) the Warrants will be exercised, the percentage allocation for the intended uses of the Gross Proceeds from the Exercise of the Warrants cannot be determined as at the date of this Offer Information Statement.



The Directors believe that there is no minimum amount that needs to be raised from the Rights Issue and the Bonus Issue.

Pending the deployment of the Total Proceeds, the Total Proceeds may also be used for general corporate purposes, including without limitation, to repay the existing borrowings of the Company, deposited with banks and/or financial institutions, used for investment in short-term money markets or debt instruments and/or used for other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Company.

In accordance with the Listing Manual, the Company will make periodic announcements via the SGXNET on the use of the proceeds from the Rights Issue and the Bonus Issue, as and when such proceeds are materially disbursed, and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in this Offer Information Statement. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the proceeds from the Rights Issue and the Bonus Issue in the Company's annual report.

---

**4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

---

Under the Maximum Subscription Scenario, for each dollar of the gross proceeds of S\$147,649,108.10 raised from the issue of the Series 2 Convertible Securities under the Rights Issue and excluding proceeds from any exercise of Warrants, the Company will allocate the proceeds as follows:

- (a) approximately S\$0.48 of each dollar of the Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue will be used to repay borrowings incurred by the Group to fund the Dresden Acquisition;
- (b) approximately S\$0.33 of each dollar of the Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue will be used to partially satisfy the estimated consideration for the Group's acquisition of a controlling equity stake in CFDL in connection with the Concord Acquisition;
- (c) approximately S\$0.18 of each dollar of the Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue will be used to fund potential property development projects and/or acquisitions of properties held for income, and/or the property financing business; and
- (d) approximately S\$0.01 of each dollar of the Gross Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue will be used to pay the Related Fees and Expenses.

Please refer to paragraph 5 of the Section titled "**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**" of this Offer Information Statement.

- 
5. If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.
- 

Except as disclosed in paragraph 4 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**” of this Offer Information Statement and set out below, the Total Proceeds are not currently intended to be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity.

#### Dresden Acquisition

In February 2019, the Group entered into a conditional sale and purchase agreement for the acquisition of 94.9 per cent. of the shares in each of BRE/GH II Dresden I Investor and Hotel Bellevue Dresden Betriebs which owns, and operates, the Westin Bellevue Dresden Hotel, a hotel in Dresden, Germany, respectively, for a consideration which is based on the commercial property value of the hotel of approximately EUR49.5 million (S\$75.6 million, based on the exchange rate of EUR1.00: S\$1.5269), including estimated acquisition costs (the “**Dresden Acquisition**”).

The completion of the Dresden Acquisition took place on 29 March 2019. The consideration for the Dresden Acquisition was funded by existing unsecured credit facilities. The Group intends to use the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to repay EUR46.3 million (S\$70.7 million, based on the exchange rate of EUR1.00: S\$1.5269) of the borrowings incurred by the Group to partially fund the acquisition.

#### Concord Acquisition

In March 2019, the Group entered into a framework agreement (the “**Framework Agreement**”) with three individual vendors (the “**Concord Vendors**”), CFDL and Dongguan Kanghe Property Management Consulting Services Co., Ltd. (“**DKPMCS**”), a subsidiary of CFDL, in relation to the proposed acquisition by FS Dongguan No. 9, an indirect wholly-owned subsidiary of the Company, and/or such other party or parties as may be nominated by FS Dongguan No. 9 of 100.0 per cent. of the issued shares in CFDL, a limited liability investment holding company incorporated in Hong Kong (the “**Concord Acquisition**”). DKPMCS undertakes the development and management of residential and commercial properties and has been granted the land use rights in respect of three land parcels with a total site area of approximately 36,405 sq m in Chang’an in Dongguan, PRC (the “**Concord Property**”) for terms with expiry dates of 31 January 2088 for residential use and 31 January 2058 for commercial use.

The consideration for the Concord Acquisition is an amount equal to the adjusted consolidated net asset value of CFDL and DKPMCS (together with CFDL, the “**Target Group**”) as at the completion of the Concord Acquisition and in determining the

consideration, the Concord Property is accounted for at the agreed commercial value (taking into account the land use rights in respect of the Concord Property granted to DKPMCS).

In April 2019, the parties to the Framework Agreement and the Company's subsidiary, Wenjiang BVI, entered into a sale and purchase agreement in connection with the Concord Acquisition pursuant to which it was agreed that:

- (a) a deposit of RMB150.0 million (S\$30.3 million) paid by FS Dongguan No. 9 to DKPMCS pursuant to the Framework Agreement shall be treated as a loan owed by DKPMCS to FS Dongguan No. 9 and is to be taken into account in the adjusted consolidated net asset value of the Target Group for the purposes of determining the consideration;
- (b) on the completion date, a preliminary consideration of RMB404.0 million (S\$81.6 million), which is equal to the adjusted consolidated net asset value of the Target Group based on the management accounts of the Target Group as at 31 March 2019, shall be paid by Wenjiang BVI and/or the party or parties designated by Wenjiang BVI to purchase any of CFDL's shares (the "**Designated Purchaser**"); and
- (c) an aggregate of RMB50.0 million (S\$10.1 million) in escrow monies will be released to the Concord Vendors after the first and second anniversary (as the case may be) of the completion of the Concord Acquisition, after taking into account any post-completion adjustment amounts that remain unpaid and/or claims under the sale and purchase agreement (if any) which Wenjiang BVI and/or the Designated Purchaser may have against the Concord Vendors.

The Group intends to designate a third party as the Designated Purchaser, subject to the Group retaining a controlling equity stake in the Target Group upon completion of the Concord Acquisition.

The completion of the Concord Acquisition is expected to be in May 2019 and, as at the Latest Practicable Date, no part of the consideration has been paid for the acquisition of a controlling equity stake in CFDL. The Group intends to use the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to satisfy the consideration (including the repayment of borrowings (if any) incurred by the Group) for the Group's acquisition of a controlling equity stake in CFDL in connection with the Concord Acquisition.

None of the above acquisitions constitutes an interested person transaction under Chapter 9 of the Listing Manual.

---

**6. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

---

As disclosed above, the Company intends to use the Net Proceeds from the Issue of the Series 2 Convertible Securities Under the Rights Issue to (a) repay borrowings incurred by the Group to fund the Dresden Acquisition and (b) satisfy the consideration (including the repayment of borrowings (if any) incurred by the Group) for the Group's acquisition of a controlling equity stake in CFDL in connection with the Concord Acquisition.

The Group has been granted, and has drawdown on, unsecured revolving credit facilities to fund the Dresden Acquisition. As at the date of this Offer Information Statement, no

borrowings have been incurred by the Group to fund the controlling equity stake in CFDL in connection with the Concord Acquisition.

- 
7. In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.
- 

Not applicable to the Rights Issue or Bonus Issue. The Rights Issue will not be underwritten.

#### Information on the Relevant Entity

---

8. Provide the following information:
- 

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the e-mail address of the relevant entity or a representative of the relevant entity;
- 

Registered Office	:	P.O. Box 31119, Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman, KY1-1205 Cayman Islands
Principal Place of Business	:	63 Market Street #06-03 Bank of Singapore Centre Singapore 048942
General Telephone Line	:	(65) 6436 4920
Facsimile	:	(65) 6438 3170
E-mail Address	:	ir@1st-sponsor.com.sg

---

- (b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;
- 

The Company was incorporated in the Cayman Islands on 24 September 2007 as an exempt company limited by shares under the Cayman Companies Law.

The Group is a Singapore-based mixed property developer in the Netherlands and the PRC, and an owner of commercial properties (including hotels) as well as a provider of property financing services primarily in Europe and the PRC.

Please refer the Section titled "**Summary of the Business of the Group**" of this Offer Information Statement for more details.

- 
- (c) the general development of the business from the beginning of the period comprising the 3 most recently completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –
- (i) the end of the most recently completed financial year for which financial statements of the relevant entity have been published; or
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;
- 

A description of the general developments of the business of the Group from 1 January 2016 to the Latest Practicable Date is set out below.

#### **General Developments from 1 January 2019 to the Latest Practicable Date**

- In January 2019, FS Milan, an indirect wholly-owned subsidiary of the Company, acquired a property located at Corso Buenos Aires No. 33 in Milan, Italy, for a purchase price of approximately EUR9.3 million from the Seller.
- In January 2019, CGRE, MIGCL and Ningbo Meishan entered into a fourth supplemental agreement to the sale and purchase agreement to amend certain terms of the amended sale and purchase agreement in relation to the disposal of certain parts of Chengdu Cityspring, comprising (a) Block 9 (which is one of the 29-storey commercial buildings) (excluding the basement and seven retail spaces on the first floor), (b) a retail space on the first floor of Block 8 (which is the other 29-storey commercial building), and (c) 318 basement car park lots (the “**Chengdu Cityspring Property**”). CGRE and MIGCL are in discussions on a possible extension of the date of payment of the final instalment of the consideration under the sale and purchase agreement.
- In February 2019, the Group reported an unaudited profit before tax for FY2018 of S\$144.5 million.
- In February 2019, NLP16 and Borealis Hotel and certain of its affiliates (collectively, the “**Borealis Group**”) agreed to the transfer of the operations of (a) a hotel under the “Hampton by Hilton” brand or a brand of similar standing, and (b) a hotel under the “Crowne Plaza” brand or a brand of similar standing (together, the “**Borealis Poortgebouw Hotels**”) from the Borealis Group to FS NL Poortgebouw, an indirectly wholly-owned subsidiary of the Company, and had accordingly terminated the pre-opening development agreement (the “**PDA**”) and the lease agreement (the “**Lease Agreement**”) entered into between NLP16 and the Borealis Group.
- In February 2019, the Company announced that it was proposing to carry out the Initial Proposed Exercises.
- In March 2019, the Company announced that, having taken into account the regulatory feedback received, it had decided to withdraw the additional listing application to the SGX-ST dated 18 February 2019 in connection with the Initial Proposed Exercises and would be reconsidering the structure of the Initial Proposed Exercises.

- In March 2019, the Company announced that FS Dongguan No. 9, an indirect wholly-owned subsidiary of the Company, had entered into the Framework Agreement with the Concord Vendors and the Target Group in connection with the Concord Acquisition. In conjunction with the Concord Acquisition, the shareholders' loans owed by CFDL to the Concord Vendors have been assigned to the Group in April 2019.
- In March 2019, Mr. Kingston Kwek Eik Huih was appointed as a Non-Executive Director of the Company. Mr. Tan Kian Seng resigned as a Non-Executive Director of the Company.
- In March 2019, the Company announced that it is proposing to carry out the Rights Issue and Bonus Issue (instead of the Initial Proposed Exercises).
- In March 2019, FSDE, an indirect wholly-owned subsidiary of the Company incorporated under the laws of Germany, acquired 94.9 per cent. of the issued shares in the capital of BRE/GH II Dresden I Investor and Hotel Bellevue Dresden Betriebs which owns, and operates, a hotel in Dresden, Germany, respectively, for a consideration which is based on a commercial property value of the hotel of approximately EUR49.5 million, including estimated acquisition costs, subject to certain adjustments.
- In April 2019, the Company obtained the AIP, subject to certain conditions.
- In April 2019, the Company announced the incorporation of a wholly-owned subsidiary, FSDG 3, which, in turn, incorporated a wholly-owned subsidiary, FS Dongguan No. 3.
- In April 2019, the Company announced that FS No. 9 Dongguan and Wenjiang BVI had entered into a sale and purchase agreement with the Concord Vendors and the Target Group in connection with the Concord Acquisition.
- In April 2019, the Company announced the conversion and cancellation in part of the Series 1 Convertible Securities.
- In May 2019, the Company announced that it proposes to fully redeem the outstanding Series 1 Convertible Securities on 14 June 2019.

#### **General Developments in FY2018**

- In January 2018, the acquisition of Le Méridien Frankfurt by FSCT1 was completed. FSCT1, a limited partnership established under the laws of Germany has (a) three limited partners, namely, (i) NLP18, a wholly-owned subsidiary of the Company, (ii) CDL Properties (a wholly-owned subsidiary within the City Developments Limited group), and (iii) Tai Tak Frankfurt (a wholly-owned subsidiary within the Tai Tak group), and (b) one general partner, namely, FSCT1GP.
- In January 2018, FSNL, an indirect wholly-owned subsidiary of the Company, and four other co-investors acquired all of the issued shares in the capital of FSMCR priced based on a commercial property value of approximately EUR51.0 million, including acquisition costs. FSNL owns 24.7 per cent. of the issued shares in the capital of FSMCR, which holds the title to the Hilton Rotterdam Hotel. The Group undertook a post-completion restructuring exercise to lease and operate the Hilton Rotterdam Hotel with effect from 31 January 2018.

FSNL also incorporated a wholly-owned subsidiary, FS NL Hilton Rotterdam, to facilitate the post completion restructuring exercise of FSMCR, whereby the Group will acquire the hotel business operations and lease the Hilton Rotterdam Hotel on a long-term basis.

- In February 2018, the Group announced the incorporation of two wholly-owned subsidiaries, NLP12 and Dongguan Sushun Investment Consultancy, whose principal activities comprise (a) property development and investment and (b) investment holding, real estate management and consultancy services, respectively.

FSNL also incorporated a 95.0 per cent.-owned subsidiary, NL Property Group 17 B.V., whose principal activities comprise investment holding and hotel operations. NL Property Group 17 B.V. in turn incorporated four wholly-owned subsidiaries whose principal activities are hotel operations.

In addition, (a) QBN, a Netherlands-incorporated entity in which FSMC, the Group's 33.0 per cent.-owned indirect associated company, holds 95.0 per cent. of the issued shares, incorporated two wholly-owned subsidiaries, RE Parkhotel Rotterdam B.V. and RE Kasteel Vaalsbroek B.V., whose principal activities comprise property development and investment, and (b) FSMCR, a 24.7 per cent.-owned indirect associated company, incorporated a wholly-owned subsidiary, RE Hilton Rotterdam whose principal activities comprise hotel operations, property development and investment. The Hilton Rotterdam Hotel was subsequently transferred from FSMCR to RE Hilton Rotterdam for a consideration of approximately EUR50.1 million and the operations of the Hilton Rotterdam Hotel were transferred from FSMCR to FS NL Hilton Rotterdam. Thereafter, FS NL Hilton Rotterdam entered into a lease agreement with RE Hilton Rotterdam in respect of the Hilton Rotterdam Hotel.

- In February 2018, the Company entered into a supplemental trust deed with DBS Trustee Limited, as trustee, to amend certain definitions relating to Consolidated Net Debt and Consolidated Total Debt in the trust deed entered into between the same parties in respect of the 2015 Debt Programme.
- In February 2018, the Group reported a profit before tax for FY2017 of S\$121.2 million.
- In February 2018, the Company announced that it was proposing to carry out the 2018 Rights Issue. The Company obtained approval in-principle for the dealing in, listing of and quotation for the Series 1 Convertible Securities, the conversion shares, and such other conversion shares which may be issued pursuant to any adjustments set out in the terms and conditions of the Series 1 Convertible Securities on the Official List of the SGX-ST.
- In April 2018, the Company allotted and issued 58,981,032 new Shares (the "**2018 Bonus Shares**") pursuant to the 2018 Bonus Issue. The 2018 Bonus Shares were listed, quoted and traded on the Main Board of the SGX-ST.
- In April 2018, the Company allotted and issued S\$162,199,110.70 in aggregate principal amount of Series 1 Convertible Securities in the denomination of S\$1.10 for each Series 1 Convertible Security pursuant to the 2018 Rights Issue, raising gross proceeds of approximately S\$162.2 million. The Series 1 Convertible Securities were listed, quoted and traded on the Main Board of the SGX-ST. The gross proceeds from the 2018 Rights Issue have been fully utilised.

- In May 2018, CGRE, an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with MIGCL in relation to the disposal of the Chengdu Cityspring Property, for a consideration of approximately RMB465.0 million.
- In June 2018, QBN entered into a sale and purchase agreement with Landgoed Oranjewoud in relation to the disposal of the entire issued share capital of Landgoed Lauswolt for an aggregate purchase price of EUR6,875,000. Following the completion in July 2018, Landgoed Lauswolt and its wholly-owned subsidiary, Hotel-Restaurant “Lauswolt”, ceased to be associated companies of the Group.
- In July 2018, CGRE and MIGCL entered into a supplemental agreement to the sale and purchase agreement in relation to the disposal of the Chengdu Cityspring Property to amend certain terms of the sale and purchase agreement.
- In July 2018, the Group announced that its 30.0 per cent.-owned indirect associated company, FS Dongguan No. 1, incorporated a company, FS Dongguan No. 2, to own and develop land in Nancheng District of Dongguan, Guangdong province, in the PRC.
- In September 2018, the Company incorporated a 50-50 joint venture company, FS Nieuw Holland Pte. Ltd, in Singapore, with Tai Tak Industries.
- In September 2018, CGRE and MIGCL entered into a second supplemental agreement with CCHM and CLXRE to the sale and purchase agreement in relation to the disposal of the Chengdu Cityspring Property to amend certain terms of the amended sale and purchase agreement.
- In October 2018, the Company announced that FSNL had voluntarily liquidated its 95.0 per cent.-owned subsidiary NL Property Group 17 B.V., which in turn voluntarily liquidated its four wholly-owned subsidiaries, Opco Garden Amsterdam Hotel B.V., Opco Kasteel Vaalsbroek B.V., Opco Europa Scheveningen Hotel B.V. and Opco De Bilderberg Oosterbeek Hotel B.V.
- In October 2018, QBN voluntarily liquidated its wholly-owned subsidiaries incorporated in the Netherlands, namely, RE Parkhotel Rotterdam B.V. and RE Kasteel Vaalsbroek B.V.
- In October 2018, five of QBN subsidiaries, namely, Bilderberg Wolfheze B.V., Bilderberg Heelsum B.V., Hotel De Klepperman B.V., Bilderberg Foresterie B.V. and Bilderberg Zwolle B.V., entered into a conditional sale and purchase agreement with Fletcher Hotel Vastgoed B.V. and Fletcher Hotel Exploitaties B.V. in relation to, *inter alia*, the disposal of four hotels from the Bilderberg Portfolio (namely, Hotel de Buunderkamp, Hotel Klein Zwitterland, Hotel de Klepperman and Hotel Wolfheze). The disposals have since been completed.
- In October 2018, FS Dongguan No. 1 reduced its shareholdings in FS Dongguan No. 2 from 80.0 per cent. to 68.0 per cent. as a result of a capital contribution of RMB150,000 by three unrelated joint venture partners. The Group’s indirect shareholding interest in FS Dongguan No. 2 decreased from 24.0 per cent. to 20.4 per cent.
- In November 2018, CGRE, MIGCL and Ningbo Meishan entered into a third supplemental agreement to the sale and purchase agreement in relation to the disposal of the Chengdu Cityspring Property to amend certain terms of the amended sale and purchase agreement.



- In November 2018, Chengdu Industries Pte Ltd, a direct wholly-owned subsidiary of the Company, voluntarily liquidated its wholly-owned subsidiary incorporated in the PRC, namely, Chengdu Ming Ming Management Consultancy Co., Ltd (成都铭明管理咨询有限公司).
- In November 2018, the 50-50 joint venture entered into by FS Nieuw Holland Pte. Ltd. and Tai Tak disbursed an AUD50.0 million loan secured on a prime property located in Melbourne, Australia.
- In December 2018, Idea Valley No. 3 Company Limited, a direct wholly-owned subsidiary of the Company, voluntarily liquidated its wholly-owned subsidiary incorporated in the PRC, namely, Sichuan First Sponsor Construction Co., Ltd (四川首助建筑工程有限公司).
- In December 2018, First Sponsor Guangdong, an indirect wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, FS Dongguan No. 9, in the PRC.
- In December 2018, First Sponsor Guangdong disposed its entire 100.0 per cent. shareholding in Dongguan Sushun Investment Consultancy, an indirectly wholly-owned subsidiary of the Company, to East Sun, in which the Group holds 90.0 per cent. equity interest.

#### **General Developments in FY2017**

- In February 2017, the Company announced the incorporation of three wholly-owned subsidiaries, NLP11, NLP15 and NLP16, each with a paid up capital of EUR1.00. The principal activities of each of these entities comprise property development and investment.
- In February 2017, the Group reported a profit before tax for FY2016 of S\$118.4 million.
- In February 2017, Mr. Tan Kian Seng was appointed as a Non-Executive Director of the Company and Mr. Desmond Wee Guan Oei was appointed as a Non-Executive Independent Director of the Company and Chairman of the Remuneration Committee. Mr. Lee Tse Sang Aloysius resigned as a Non-Executive Director of the Company and Mr. Hwang Han-Lung Basil resigned as a Non-Executive Independent Director of the Company and ceased to be the Chairman of the Remuneration Committee.
- In June 2017, the Company redeemed all of the outstanding S\$50.0 million 4.00 per cent. fixed rate notes due 2018 comprised in Series 001 (the “**Notes**”) issued pursuant to the 2015 Debt Programme at 101.0 per cent. of the principal amount of the Notes.
- In June 2017, the Company and NLP16, a wholly-owned subsidiary, entered into a conditional sale and purchase agreement with Hoog Catharijne Mall of the Netherlands B.V. in connection with the acquisition of the leasehold right relating to the Poortgebouw Property terminating on 31 December 2069 for a consideration of approximately EUR26.4 million, including acquisition costs.

Pursuant to a PDA and a Lease Agreement between the Borealis Group and FS NL Utrecht Hotels 12 B.V., and as novated to NLP16, NLP16 agreed to develop the Poortgebouw Property into the Borealis Poortgebouw Hotels. Pursuant to the

Lease Agreement, NLP16 agreed to lease to the Borealis Group the Borealis Poortgebouw Hotels for an initial term of 25 years which shall be automatically extended for two subsequent terms, each term being a period of 10 years, unless terminated by the Borealis Group in accordance with the terms of the Lease Agreement.

- In July 2017, the acquisition of the Poortgebouw Property was completed.
- In July 2017, the Group disposed of its entire equity interest in Guangdong Idea Valley to an unrelated third party for a consideration of approximately RMB14.1 million.
- In August 2017, (a) FSMC and (b) Galaren, an unrelated third party, completed the acquisition of 95.0 per cent. and 5.0 per cent. respectively of the issued shares in the capital of QBN from QMH for a consideration of approximately EUR171.4 million (including transaction costs). QBN manages and operates hotels under the “Bilderberg” brand and other related assets across the Netherlands, including cities such as Amsterdam, Rotterdam and The Hague through its direct and indirect wholly-owned subsidiaries.
- In August 2017, the Company undertook a capital reduction exercise pursuant to which the issued and fully paid-up share capital of the Company was reduced from US\$589,814,949 comprising 589,814,949 ordinary shares of US\$1.00 each to US\$58,981,494.90 comprising 589,814,949 ordinary shares of US\$0.10 each.
- In November 2017, FSMPL, a wholly-owned subsidiary, was struck off from the Register of Accounting and Corporate Regulatory Authority of Singapore pursuant to Section 344A of the Companies Act.
- In December 2017, FSCT1 entered into a sale and purchase agreement with Art-Invest Real Estate, an unrelated third party, in connection with the acquisition of the Le Méridien Frankfurt located in Frankfurt, Germany for an aggregate consideration of EUR85.0 million (including transaction costs).
- In December 2017, the Group entered into a sale and purchase agreement for the acquisition of Meerparc for a total consideration of EUR55.5 million (including transaction costs).

#### **General Developments in FY2016**

- In January 2016, NLP10, a 33.0 per cent. indirectly-owned associated company entered into a sale and purchase agreement with Union Street Pluto and Union Street Zulu, each of which is an unrelated party in connection with the sale of certain non-core properties in the DL Portfolio (as defined herein) (the “**Non-core Disposals**”) for an aggregate consideration of approximately EUR45.5 million.
- In February 2016, the Non-core Disposals were completed.
- In February 2016, the Group reported a profit before tax for FY2015 of S\$91.0 million.
- In February 2016, Mr. Sun Gang resigned as Group Chief Operating Officer of the Company. However, Mr. Sun remained as an advisor to the Group for a period of six months from 1 March 2016 to 31 August 2016 to facilitate a smooth transition.

- In May 2016, the Company established a branch in Singapore, FSGL (Singapore Branch) whose principal activities comprise investment holding and provision of consultancy services.
- In August 2016, the Company entered into a share subscription agreement with FS Dongguan Investment, Regent, VKHK and Vanke (the “**2016 Share Subscription Agreement**”) pursuant to which Regent and Vanke agreed to (a) subscribe for shares in FS Dongguan Investment (the “**Share Subscription**”); and (b) inject shareholder loans into FS Dongguan No. 1 to enable FS Dongguan No. 1 to repay 70 per cent. of all outstanding inter-company indebtedness owed by FS Dongguan No. 1 to any PRC-incorporated company within the Group (the “**70 per cent. Onshore Loan**”) calculated based on the management accounts of FS Dongguan No. 1 as at the completion date of the Share Subscription. FS Dongguan No. 1 is a property development and property investment company incorporated in the PRC which undertakes the development of the Star of East River Project.
- In connection with the 2016 Share Subscription Agreement, the Company entered into an assignment agreement with among others, FS Dongguan Investment, FS Investment (a wholly-owned subsidiary of the Company), Regent, VKHK and Vanke (the “**2016 Assignment Agreement**” and together with the 2016 Share Subscription Agreement, the “**2016 Transaction**”) pursuant to which all rights, title and interest in 70 per cent. of the aggregate outstanding inter-company loans extended by FS Investment to FS Dongguan Investment (being the loan amount of approximately S\$185.7 million) were assigned and transferred to Regent and Vanke in accordance with the number of shares in FS Dongguan Investment subscribed by each of them (the “**Loan Assignment**”).

The consideration for the 2016 Transaction comprised:

- (a) approximately RMB625.9 million as cash consideration for the Share Subscription;
  - (b) approximately RMB911.6 million as cash consideration for the Loan Assignment; and
  - (c) the amount of shareholder loans to be injected by Regent and Vanke to enable FS Investment to repay the 70 per cent. Onshore Loan (which amounted to RMB130.9 million as at 19 August 2016).
- In October 2016, the 2016 Share Subscription Agreement and 2016 Assignment Agreement were completed. Upon completion, the Company’s shareholding interests in FS Dongguan Investment was diluted from 100.0 per cent. to 30.0 per cent. Accordingly, FS Dongguan Investment, FS Dongguan No. 1 Pte. Ltd. and FS Dongguan No. 1 ceased to be wholly-owned subsidiaries of the Company and became associated companies.

---

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

---

As at the Latest Practicable Date, the equity capital of the Company is as follows:

Issued and paid-up share capital <sup>(1)</sup> (S\$'000)	:	S\$101,125
Number of issued and paid-up Shares <sup>(1)</sup>	:	794,461,615 Shares
Aggregate principal amount of Series 1 Convertible Securities	:	S\$1,966,913.30
Number of Series 1 Convertible Securities	:	1,788,103

As at the Latest Practicable Date, the Company has no loan capital.

**Note:**

(1) This includes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company.

---

(e) where –

(i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or

(ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

---

The number of Shares in which the Substantial Shareholders have interests, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date are set out below:

SUBSTANTIAL SHAREHOLDERS	Shares			
	Direct Interest		Deemed Interest <sup>(18)</sup>	
	Number of Shares	% of Issued Shares	Number of Shares	% of Issued Shares
Mr. Ho Han Leong Calvin <sup>(1)</sup>	3,025,000	0.38	359,597,537	45.26
Mr. Ho Han Khoo <sup>(2)</sup>	1,575,000	0.20	286,764,270	36.10
Mr. Neo Teck Pheng <sup>(3)</sup>	3,363,000	0.42	301,561,470	37.96
FSCCL	286,764,270	36.10	–	–
TTAPL <sup>(4)</sup>	65,173,697	8.20	294,423,840	37.06
Tai Tak Industries <sup>(5)</sup>	–	–	359,597,537	45.26
Tai Tak <sup>(6)</sup>	–	–	359,597,537	45.26
SG Investments <sup>(7)</sup>	–	–	359,597,537	45.26

**SUBSTANTIAL SHAREHOLDERS**

	Shares			
	Direct Interest		Deemed Interest <sup>(18)</sup>	
	Number of Shares	% of Issued Shares	Number of Shares	% of Issued Shares
FSML <sup>(8)</sup>	–	–	286,764,270	36.10
TTPA <sup>(9)</sup>	–	–	286,764,270	36.10
RHRL	253,614,321	31.92	–	–
MCHIPL <sup>(10)</sup>	–	–	253,614,321	31.92
MCHIL <sup>(11)</sup>	31,852,326	4.01	253,614,321	31.92
M&C Singapore Holdings (UK) Limited <sup>(12)</sup>	–	–	285,466,647	35.93
M&C UK <sup>(13)</sup>	–	–	285,466,647	35.93
SDPL <sup>(14)</sup>	–	–	285,466,647	35.93
City Developments Limited <sup>(15)</sup>	–	–	285,466,647	35.93
Hong Leong Investment Holdings Pte. Ltd. <sup>(16)</sup>	–	–	285,466,647	35.93

**Notes:**

- (1) Mr. Ho Han Leong Calvin, the Company's Non-Executive Chairman, is treated as having an interest under Section 4 of the SFA in (a) the Shares held directly by FSCL, (b) the Shares held directly by TTAPL and in which TTAPL is treated as having an interest under Section 4 of the SFA, (c) the Shares in which CDTF is treated as having an interest under Section 4 of the SFA, which are 286,764,270 Shares, 359,597,537 Shares and 7,659,570 Shares, respectively. These three entities are entities in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof. Please refer to notes 4 and 17 below for the details on the Shares in which TTAPL and CDTF are treated as having an interest under Section 4 of the SFA. He is also treated as having an interest in the Shares held indirectly by Tai Tak Industries, Tai Tak, SG Investments, FSML and TTPA, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares of these entities thereof.
- (2) Mr. Ho Han Khoo, the alternate director to Mr. Ho Han Leong Calvin, the Company's Non-Executive Chairman, is treated as having an interest under Section 4 of the SFA in the Shares held directly by FSCL and indirectly by FSML and TTPA, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof, which is 286,764,270 Shares.
- (3) Mr. Neo Teck Pheng, the Group Chief Executive Officer and Executive Director, is treated as having an interest under Section 4 of the SFA in the Shares held directly by FSCL, Ararat Holdings Limited and Magnificent Opportunity Limited, which are 286,764,270 Shares, 7,663,700 Shares and 7,133,500 Shares, respectively. These three entities are entities in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof. He is also treated as having an interest under Section 4 of the SFA in the Shares held indirectly by FSML, in which he is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (4) TTAPL is treated as having an interest under Section 4 of the SFA in (a) the Shares held by FSCL directly and (b) the Shares in which CDTF is treated as having an interest under Section 4 of the SFA, which are 286,764,270 Shares and 7,659,570 Shares, respectively. TTAPL is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares of FSCL and CDTF. Please refer to Note 17 below for the details on the Shares in which CDTF is treated as having an interest under Section 4 of the SFA.
- (5) Tai Tak Industries is treated as having an interest under Section 4 of the SFA in 65,173,697 Shares held directly by TTAPL and 294,423,840 Shares held indirectly by TTAPL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (6) Tai Tak is treated as having an interest under Section 4 of the SFA in 359,597,537 Shares held indirectly by Tai Tak Industries, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (7) SG Investments is treated as having an interest under Section 4 of the SFA in 359,597,537 Shares held indirectly by Tai Tak, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (8) FSML is treated as having an interest under Section 4 of the SFA in 286,764,270 Shares held directly by FSCL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.

- (9) TTPA is treated as having an interest under Section 4 of the SFA in 286,764,270 Shares held indirectly by FSMML, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (10) MCHIPL is treated as having an interest under Section 4 of the SFA in 253,614,321 Shares held directly by RHRL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (11) MCHIL is treated as having an interest under Section 4 of the SFA in the Shares held indirectly by MCHIPL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof, which is 253,614,321 Shares.
- (12) M&C Singapore Holdings (UK) Limited is treated as having an interest under Section 4 of the SFA in 31,852,326 Shares held directly and 253,614,321 Shares held indirectly by MCHIL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (13) M&C UK is treated as having an interest under Section 4 of the SFA in 285,466,647 Shares held indirectly by M&C Singapore Holdings (UK) Limited, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (14) SDPL is treated as having an interest under Section 4 of the SFA in 285,466,647 Shares held indirectly by M&C UK, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (15) City Developments Limited is treated as having an interest under Section 4 of the SFA in 285,466,647 Shares held indirectly by SDPL, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (16) Hong Leong Investment Holdings Pte. Ltd. is treated as having an interest under Section 4 of the SFA in 285,466,647 Shares held indirectly by City Developments Limited, in which it is entitled to exercise or control the exercise of not less than 20 per cent. of the votes attached to the voting shares thereof.
- (17) CDTF is treated as having an interest under Section 4 of the SFA in the Shares it holds via DBS Vickers Securities (S) Pte Ltd, which is 7,659,570 Shares.
- (18) For the purposes of this table, a “deemed interest” refers to an interest in the Shares under Section 4 of the SFA (other than a direct interest in the Shares).

- 
- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
- 

#### Claims in respect of entrusted loans

In respect of Case 1, the Group had, in December 2015, initiated a claim against a borrower which had defaulted on an entrusted loan of RMB170.0 million with an interest rate of 18.0 per cent. per annum. The First Intermediate Shanghai Court ruled that the borrower is required to pay the Group the outstanding principal on the loan as well as penalty interest at the rates of (a) 24.0 per cent. per annum for the period from 22 December 2015 up to 4 August 2016 and (b) 30.4 per cent. per annum for the period from 5 August 2016 up to the date of full payment. Following the final ruling in December 2018 by the First Intermediate Shanghai Court dismissing the appeal by the borrower’s legal representative in respect of criminal cases involving the borrower’s legal representative, the auction process in respect of the relevant mortgaged properties is expected to commence in 2019. The First Intermediate Shanghai Court has completed its assessment of the borrower’s assets, which it valued at approximately RMB332.3 million. The Group intends to apply to the First Intermediate Shanghai Court for a determination of priorities to such assets. This process is expected to commence sometime in 2019. However, there is no assurance that the Group will be able to recover the full amount of the outstanding principal and interest on the loan, or at all. In

particular, and after taking into account the public interest arising from the above-mentioned criminal cases, the Group may have to accept a lower interest entitlement.

In addition, in respect of Case 2, the Group had, in February 2016, initiated claims in the Shanghai courts against six borrowers which had defaulted on entrusted loans of an aggregate amount of RMB470.0 million (the “**Defaulted Amount**”) bearing interest at rates ranging from 17.0 to 17.5 per cent. per annum. The loans disbursed to each of these borrowers were cross-collateralised. The Group received rulings in its favour from the Shanghai courts in respect of all the loans and the Group has since recovered the Defaulted Amount in full and recognised cumulative net interest of RMB216.1 million.

#### Claims in respect of Corso Buenos Aires No. 33

In January 2019, the Group acquired a property located at Corso Buenos Aires No. 33 in Milan, Italy, from the Seller for a purchase price of approximately EUR9.3 million. There is an ongoing litigation between the Ex-Tenant and the Seller with respect to the property in the courts of Milan. The Ex-Tenant has alleged that (a) a preliminary sale and purchase agreement in relation to the property exists between the Seller and the Ex-Tenant and (b) the Seller is obliged, but has failed, to execute the sale and purchase agreement to sell the property to the Ex-Tenant.

The Ex-Tenant has sought a court ruling in order to declare, *inter alia*, the existence of such preliminary sale and purchase agreement and to give effect to the sale of the property to the Ex-Tenant. As far as the Company is aware, the Ex-Tenant alleged that the Seller had agreed to sell the property to it for EUR6.1 million. Under the terms of the sale and purchase agreement entered into between the Group and the Seller, the Seller has undertaken to transfer to the Group the entire price actually paid by the Ex-Tenant for the purchase of the property in the unlikely event that the Ex-Tenant succeeds in the litigation.

At a court hearing held in March 2019, the Seller and the Ex-Tenant were directed to file the final defence and reply briefs by 27 May 2019 and 17 June 2019, respectively. The judge is expected to issue the decision after considering the final defence and reply briefs. The Group understands that the decision would likely be issued in July or September 2020. Assuming that appeals are made up to the Supreme Court in Italy, the litigation process may take up to approximately eight years. The Company understands, from discussions between the Seller and its lawyers, that the Seller has good prospects of succeeding in the litigation.

The Group has taken up an insurance policy to cover, in particular, the price paid for the property and the costs and expenses suffered by it should the Ex-Tenant succeed in the litigation.

Save as disclosed above, the Directors are not aware of any legal or arbitration proceedings to which the Group is a party or which is pending or known to be contemplated that may have or which has had in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

---

**(g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**

**(i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**

---

Not applicable. No securities, securities-based derivatives contracts or equity interests of the Company were issued for cash within the 12 months immediately preceding the Latest Practicable Date.

**(ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests; and**

---

Not Applicable. No securities, securities-based derivatives contracts or equity interests of the Company were issued for services within the 12 months immediately preceding the Latest Practicable Date.

---

**(h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**

---

Save as disclosed below and in paragraph 3 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 8 – Additional Information Required for Offer of Debentures or Units of Debentures**” of this Offer Information Statement, the Group has not entered into any material contracts not in the ordinary course of business for the period of two years immediately preceding the date of lodgement of this Offer Information Statement:

(a) the management agreement dated 6 May 2019 entered into between the Company and United Overseas Bank Limited pursuant to which United Overseas Bank Limited will, *inter alia*, manage the Rights Issue in consideration for the payment of a management fee;

(b) the Deeds of Undertaking;

(c) the deeds of undertaking dated 14 February 2019 executed by each of FSCL, TTAPL, M&C UK, CDTF, Mr. Ho Han Leong Calvin, Mr. Ho Han Khoo, Mr. Neo Teck Pheng, Mr. Yee Chia Hsing, Ms. Ting Ping Ee, Joan Maria, Mr. Shu Zhen, and Ms. Lee Sau Hun, in favour of the Company and in connection with the Initial Proposed Exercises (which were terminated with effect from 18 March 2019 in accordance with the terms therein);



- (d) the fourth supplemental sale and purchase agreement dated 25 January 2019 entered into amongst CGRE, MIGCL and Ningbo Meishan, in relation to the amendments of certain terms of the SPA (as defined below);
- (e) the supplemental trust deed dated 4 December 2018 entered into between the Company and Perpetual (Asia) Limited in relation to the amendments of certain provisions in the Series 1 Trust Deed and the terms and conditions of the Series 1 Convertible Securities.
- (f) the third supplemental sale and purchase agreement dated 23 November 2018 entered into amongst CGRE, MIGCL and Ningbo Meishan, in relation to the amendments of certain terms of the SPA;
- (g) the second supplemental sale and purchase agreement dated 25 September 2018 entered into amongst CGRE, MIGCL, CCHM and CLXRE, in relation to the amendments of certain terms of the SPA;
- (h) the supplemental sale and purchase agreement dated 11 July 2018 entered into between CGRE and MIGCL in relation to the amendments of certain terms of the SPA;
- (i) the sale and purchase agreement (the “**SPA**”) dated 28 May 2018 entered into between CGRE and MIGCL in relation to the disposal of the Chengdu Cityspring Property for a consideration of approximately RMB465.0 million;
- (j) the trust deed dated 19 April 2018 (the “**Series 1 Trust Deed**”) entered into between the Company and Perpetual (Asia) Limited constituting the Series 1 Convertible Securities;
- (k) the deed poll dated 19 April 2018 executed by the Company in favour of the relevant account holders, from time to time, of CDP in relation to the Series 1 Convertible Securities;
- (l) the agency agreement dated 19 April 2018 entered into between the Company, Perpetual (Asia) Limited and Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) in connection with the Series 1 Convertible Securities;
- (m) the management agreement dated 20 March 2018 entered into between the Company and DBS Bank Ltd., pursuant to which DBS Bank Ltd. agreed to, *inter alia*, manage the 2018 Rights Issue in consideration for the payment of a management fee;
- (n) the supplemental trust deed dated 7 February 2018 entered into between the Company and DBS Trustee Limited in relation to the amendments of certain definitions in the trust deed entered into between the same parties in respect of the 2015 Debt Programme; and
- (o) the irrevocable undertakings each dated 7 February 2018 provided by each of the Undertaking Shareholders in favour of the Company (and in the case of the Undertaking provided by CDTF, as supplemented by a letter dated 15 March 2018) in connection with the 2018 Rights Issue.

Please refer to paragraph 8(c) of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**” of this Offer Information Statement for further details.

## PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

### Operating Results

---

1. Provide selected data from –
  - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recently completed financial years) for which that statement has been published; and
  - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
2. The data mentioned in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:
  - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
  - (b) earnings or loss per share; and
  - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.
3. Despite paragraph 1 of this Part, where –
  - (a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and
  - (b) the audited financial statements for that year are unavailable

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

---

Please refer to **Appendix C** to this Offer Information Statement for the audited consolidated statements of profit or loss of the Group for FY2016, FY2017 and FY2018 and the unaudited consolidated statements of profit or loss of the Group for 1Q2018 and 1Q2019. Please refer

to **Appendix D** to this Offer Information Statement for the audited consolidated statements of comprehensive income of the Group for FY2016, FY2017 and FY2018 and the unaudited consolidated statements of comprehensive income of the Group for 1Q2018 and 1Q2019. Please refer to the Section titled “**Additional Disclosure Requirements under Appendix 8.2 of the Listing Manual**” of this Offer Information Statement for details on the earnings or loss per share after adjustment to reflect the Rights issue and the Bonus Issue.

---

**4. In respect of –**

- (a) each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) any subsequent period for which interim financial statements have been published,**

**provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.**

---

1Q2019 compared with 1Q2018

**Revenue**

Revenue of the Group decreased by S\$2.5 million or 5.2 per cent., from S\$47.8 million in 1Q2018 to S\$45.3 million in 1Q2019. This decrease was due to the decrease in revenue from sale of properties by S\$5.1 million and rental income from investment properties of S\$0.6 million. The decrease was offset by the increase in revenue from property financing and hotel operations of S\$2.4 million and S\$0.8 million, respectively.

Revenue from sale of properties decreased by S\$5.1 million or 37.0 per cent. to S\$8.8 million in 1Q2019 due mainly to the recognition of revenue from fewer units in the Millennium Waterfront (1Q2019: one residential unit, 10 commercial units and 180 car park lots; 1Q2018: 62 residential units, two commercial units and 150 car park lots).

Rental income from investment properties decreased by S\$0.6 million or 15.0 per cent. to S\$3.0 million in 1Q2019. The decrease was due mainly to the absence of a one-off service income of S\$0.4 million charged in 1Q2018 by the Group to its 50-50 joint venture which owns the leased Le Meridien Frankfurt.

Revenue from hotel operations increased marginally by S\$0.8 million or 8.9 per cent. to S\$10.0 million in 1Q2019. The increase was due mainly to the full quarter’s contribution from the Hilton Rotterdam Hotel leased by the Group since February 2018, and which was partially offset by the absence of contribution from M Hotel Chengdu which ceased operations in July 2018.

Revenue from property financing increased by S\$2.4 million or 11.6 per cent. to S\$23.5 million in 1Q2019. Based on the total loan portfolio in the PRC of RMB2.8 billion as at the end of the last financial year, the higher average secured PRC loan portfolio for 1Q2019 contributed to an increase in interest income of S\$9.6 million, representing a more than

eight-fold growth over 1Q2018. This has been partially offset by the absence of net penalty interest income from the successful enforcement action on the defaulted PRC loans under Case 2 which contributed S\$7.7 million to property financing revenue in 1Q2018.

### **Cost of sales**

Cost of sales decreased by S\$3.3 million or 19.3 per cent., from S\$17.1 million in 1Q2018 to S\$13.8 million in 1Q2019. The decrease in revenue recognised from the sale of properties had led to a decrease in related cost of sales of S\$3.9 million. The decrease in cost of sales was due partially to the lower cost of sales incurred in respect of hotel operations of S\$0.7 million.

### **Gross profit**

The Group's gross profit increased marginally from S\$30.7 million in 1Q2018 to S\$32.4 million in 1Q2019.

### **Gross profit margin**

Overall gross profit margin increased from 64.1 per cent. in 1Q2018 to 71.4 per cent. in 1Q2019, due to the increased contribution from the higher yielding property financing segment.

### **Administrative expenses**

Administrative expenses increased by S\$3.4 million or 55.3 per cent., from S\$6.0 million in 1Q2018 to S\$9.4 million in 1Q2019. The increase was due mainly to the higher staff costs and professional fees (including estimated acquisition costs of S\$1.6 million in relation to the acquisition of the Westin Bellevue Dresden Hotel) incurred during 1Q2019.

### **Other income (net)**

In 1Q2019, the Group recorded other income of S\$2.9 million which comprised mainly net fair value gain on derivatives of S\$15.5 million, and which was partially offset by net foreign exchange loss of S\$11.7 million and bank charges of S\$0.5 million.

In 1Q2018, the Group recorded other income of S\$0.4 million which comprised mainly net foreign exchange gain of S\$10.4 million, partially offset by net fair value loss on derivatives, hotel management fees and maintenance expenses of S\$9.3 million, S\$0.3 million and S\$0.3 million, respectively.

### **Other gains**

Other gains of S\$3.1 million recorded in 1Q2019 relates to the gain on disposal of certain commercial spaces of the Chengdu Cityspring Property, which were classified as assets held-for-sale since 2Q2018.

### **Net finance costs**

Net finance costs for 1Q2019 comprised S\$0.9 million of amortisation of lease liabilities recorded under IFRS 16.

## Share of after-tax results of associated companies and joint ventures

Share of after-tax results of associated companies and joint ventures increased by S\$8.4 million from a loss of S\$3.4 million in 1Q2018 to a profit of S\$5.0 million in 1Q2019. The significant increase was attributable mainly to the Group's 30.0 per cent. share of the first-time profit recognised from the handover of two residential blocks of the Star of East River Project in Dongguan. The completion of the disposal of three hotels by the 31.4 per cent.-owned QBN in January 2019 further strengthened the results in 1Q2019.

## Tax expense

The Group recorded a tax expense of S\$8.2 million on profit before tax of S\$32.1 million in 1Q2019, which included land appreciation tax of S\$1.4 million and under provision in respect of the prior year of S\$0.5 million. After adjusting for the share of after-tax results of associated companies and joint ventures, the tax effect of non-deductible expenses and unrecognised deferred tax assets of S\$6.4 million in aggregate, and the tax effect of non-taxable income and recognition of previously unrecognised tax benefits of S\$6.4 million in aggregate, the effective tax rate of the Group would be approximately 24.4 per cent.

## FY2018 compared with FY2017

### Revenue

Revenue of the Group decreased by S\$107.0 million or 27.8 per cent., from S\$384.4 million in FY2017 to S\$277.4 million in FY2018. The decrease in FY2018 was due mainly to the decrease in revenue from sale of properties by S\$168.8 million. The decrease was partially offset by the increase in revenue from property financing, hotel operations and rental income from investment properties of S\$34.5 million, S\$25.8 million and S\$1.5 million, respectively.

The significant decrease in revenue from sale of properties in FY2018 compared to FY2017 was due mainly to the recognition of revenue from fewer residential and commercial units in the Millennium Waterfront in FY2018 (647 residential units, 71 commercial units and 976 car park lots) as compared with FY2017 (2,353 residential units, 93 commercial units and 213 car park lots).

Revenue from property financing increased by S\$34.5 million or 72.3 per cent., from S\$47.8 million in FY2017 to S\$82.3 million in FY2018 despite a decline in penalty interest income earned on the defaulted PRC loans under Case 2. Interest income from loans to the associated companies and joint ventures in Europe increased significantly by S\$18.5 million or 111.7 per cent. to S\$35.1 million in FY2018 due to a higher average loan portfolio for the year. Revenue from PRC property financing also increased by S\$27.1 million, S\$14.4 million of which was due to a full year's interest earned on a loan to a 30.0 per cent.-owned associated company disbursed in late 2017. Net penalty interest income of S\$12.9 million (RMB63.5 million) was recognised in FY2018 arising from the successful recovery of the defaulted PRC loans under Case 2, compared to S\$26.4 million recognised in FY2017.

Revenue from hotel operations increased by S\$25.8 million or 159.4 per cent., from S\$16.2 million in FY2017 to S\$42.0 million in FY2018. Revenue from the 24.7 per cent.-owned Hilton Rotterdam Hotel leased by the Group contributed S\$19.3 million since February 2018. The Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel, and the adjoining hotspring operations contributed to the remainder of the revenue growth.

### **Cost of sales**

Cost of sales decreased by S\$115.5 million or 49.9 per cent., from S\$231.4 million in FY2017 to S\$115.9 million in FY2018. S\$135.9 million of the decrease was attributable to the decrease in revenue from sale of properties in FY2018. This was partially offset by the increase in cost of sales of the hotel operations and property financing business amounting to S\$15.7 million and S\$3.7 million, respectively.

### **Gross profit**

The Group's gross profit increased by S\$8.5 million or 5.5 per cent., from S\$153.0 million in FY2017 to S\$161.5 million in FY2018. The increase was due mainly to the higher gross profit generated from property financing and hotel operations of S\$30.8 million and S\$10.1 million, respectively. This was partially offset by lower gross profit from sale of properties of S\$32.9 million in FY2018.

### **Gross profit margin**

The Group's gross profit margin increased from 39.8 per cent. in FY2017 to 58.2 per cent. in FY2018. This reflected the change in the sales mix as the higher yielding property financing segment constituted approximately 45.7 per cent. of the Group's gross profit for FY2018 compared to 28.1 per cent. in FY2017.

### **Administrative expenses**

Administrative expenses increased by S\$3.9 million or 15.9 per cent., from S\$24.1 million in FY2017 to S\$28.0 million in FY2018. The increase was due mainly to the inclusion of operating expenses in relation to the Hilton Rotterdam Hotel leased by the Group since February 2018. Professional fees were also incurred in respect of the acquisition of the Le Méridien Frankfurt in January 2018.

### **Selling expenses**

Selling expenses increased by S\$2.5 million or 46.3 per cent., from S\$5.3 million in FY2017 to S\$7.8 million in FY2018. The increase was largely attributable to the inclusion of the operations of the Hilton Rotterdam Hotel since February 2018.

### **Other income (net)**

In FY2018, the Group recorded other income of S\$3.3 million which comprised mainly net fair value gain on derivative instruments, other investments (equity investments at fair value through profit or loss) and investment properties of S\$30.8 million, S\$12.9 million and S\$6.9 million respectively. This was partially offset by net foreign exchange loss, impairment of the Wenjiang hotspring operations and write down of development properties of S\$26.2 million, S\$14.1 million and S\$3.2 million, respectively.

In FY2017, the Group recorded other expenses of S\$14.0 million. This mainly comprised impairment loss of property, plant and equipment of S\$9.3 million, fair value loss on derivative instruments of S\$14.2 million, Wenjiang hotspring pre-opening expenses and base stocks written-off of S\$2.4 million and S\$0.8 million respectively, and write down of development properties of S\$1.0 million. This was partially offset by a net fair value gain on investment properties of S\$4.0 million and net foreign exchange gain of S\$10.9 million.

## **Other gains**

In FY2018, the Group recorded other gains of S\$2.8 million which comprised a S\$6.3 million gain on disposal of certain commercial spaces of Chengdu Cityspring Property classified as assets held-for-sale and S\$0.3 million gain on disposal of investment properties. This was partially offset by an impairment loss on the assets held-for-sale of S\$4.1 million.

## **Share of after-tax results of associated companies and joint ventures**

Share of after-tax results of associated companies and joint ventures increased by S\$1.9 million, from S\$3.6 million in FY2017 to S\$5.5 million in FY2018. The current year's share of profit included the Group's attributable share of net fair value gain on investment properties of FSMC amounting to S\$8.9 million and S\$2.4 million net gain on disposal of two hotels by QBN.

## **Tax expense**

The Group recorded tax expenses of S\$26.3 million on profit before tax of S\$144.5 million in FY2018, which included land appreciation tax of S\$4.6 million. After adjusting for the share of after-tax results of associated companies and joint ventures, and the tax effect of non-deductible expenses and unrecognised tax losses of S\$11.2 million in aggregate, and the tax effect of non-taxable income and recognition of previously unrecognised tax benefits of S\$21.8 million in aggregate, the effective tax rate of the Group would be approximately 22.9 per cent.

## FY2017 compared with FY2016

### **Revenue**

Revenue increased by 93.1 per cent. or S\$185.3 million, from S\$199.1 million in FY2016 to S\$384.4 million in FY2017. The increase was due mainly to higher revenue from sale of properties, hotel operations and property financing of S\$146.1 million, S\$12.2 million and S\$29.7 million, respectively. This was partially offset by the lower rental income from investment properties of S\$1.9 million.

The growth in revenue from the sale of properties was due mainly to the recognition of sales on a higher number of Plot A residential units and Plot B riverfront residential units of the Millennium Waterfront, which have a higher net selling price, as well as the higher number of commercial units in the Millennium Waterfront being handed over in FY2017 (2,353 residential units, 93 commercial units and 213 car park lots) as compared with FY2016 (1,355 residential units, 45 commercial units and 165 car park lots).

Revenue from hotel operations increased by S\$12.2 million, from S\$4.0 million in FY2016 to S\$16.2 million in FY2017. This increase was due mainly to the full-year operations of the Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel which opened in late December 2016.

Revenue from property financing increased by 164.6 per cent. or S\$29.7 million, from S\$18.1 million in FY2016 to S\$47.8 million in FY2017. This was attributed to the recognition of net penalty interest income of S\$26.4 million in FY2017 from the successful enforcement action for Case 2 during the year. The revenue from property financing also comprises interest income from loans to East Sun of S\$0.3 million, associated companies in the Netherlands and the PRC of S\$16.6 million and S\$0.5 million respectively, and secured PRC property financing loans of S\$3.6 million.



Rental income from investment properties decreased by 13.3 per cent. or S\$1.9 million, from S\$14.2 million in FY2016 to S\$12.3 million in FY2017. The decrease was due mainly to lower rental revenue from Zuiderhof I as a result of lease incentives granted for a lease extension of another seven years.

### **Cost of sales**

Cost of sales increased by 57.1 per cent. or S\$84.1 million, from S\$147.3 million in FY2016 to S\$231.4 million in FY2017. The increase in cost of sales was in line with the increase in revenue from sale of properties in FY2017 and higher borrowing costs for the year related to the increase in loans to associated companies.

### **Gross profit**

Gross profit increased by 195.7 per cent. or S\$101.2 million, from S\$51.8 million in FY2016 to S\$153.0 million in FY2017. The increase was due mainly to the higher gross profit generated from sale of properties of S\$77.8 million and higher property financing gross profit of S\$27.1 million. Out of the property financing gross profit growth of S\$27.1 million, the gross profit in respect of defaulted loans, loans to associated companies in the Netherlands and the PRC, and secured PRC property financing loans contributed S\$20.7 million, S\$5.7 million, S\$0.5 million and S\$0.2 million respectively. This was partially offset by a decrease in gross profit from investment properties of S\$2.4 million and decrease in gross profit from hotel operations of S\$1.3 million.

The gross profit generated from property financing amounted to S\$43.0 million for FY2017, of which net penalty interest of defaulted loans contributed S\$25.5 million. Gross profit generated from net interest income from loans to East Sun, associated companies in the Netherlands and the PRC, and secured PRC property financing loans amounted to S\$0.3 million, S\$12.7 million, S\$0.5 million and S\$3.6 million, respectively.

### **Gross profit margin**

Gross profit margin increased from 26.0 per cent. for FY2016 to 39.8 per cent. for FY2017. The increase was due mainly to higher margins achieved from the sale of properties in the Millennium Waterfront as sales from more Plot B riverfront residential units and more commercial units were recognised. In addition, the higher yielding property financing business constituted a higher proportion of the Group's gross profit during the year.

### **Other expenses**

In FY2017, the Group recorded other expenses of S\$14.0 million. This mainly comprised impairment loss of property, plant and equipment of S\$9.3 million, fair value loss on CCSs of S\$14.2 million, pre-opening expenses in respect of the hotspring adjacent to the Holiday Inn Express Chengdu Wenjiang Hotspring Hotel and Crowne Plaza Chengdu Wenjiang Hotel, base stocks written-off of S\$2.4 million and S\$0.8 million respectively, and impairment of development properties of S\$1.0 million. This was partially offset by a net fair value gain on investment properties of S\$4.0 million and net foreign exchange gain of S\$10.9 million.

In FY2016, the Group recorded other expenses of S\$24.5 million which comprised mainly impairment loss of property, plant and equipment and fair value loss on investment properties of S\$10.3 million and S\$9.5 million respectively, and hotel base stocks written off and pre-opening expenses of Crowne Plaza Chengdu Wenjiang Hotel and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel of S\$2.5 million and S\$2.4 million, respectively.

## **Other gains**

Other gains of S\$98.3 million in FY2016 mainly related to gain on dilution of interests in subsidiaries in relation to the Star of East River Project of S\$97.3 million and gain on disposal of a property held for sale (Blue Wings, a commercial property located in Amsterdam Southeast, the Netherlands) of S\$1.8 million.

## **Net finance income**

Net finance income decreased by 38.5 per cent. or S\$5.0 million, from S\$13.1 million in FY2016 to S\$8.1 million in FY2017. This was due mainly to the decrease in interest income from loans to the Chengdu Wenjiang government of S\$12.8 million in FY2017 as a result of full repayment of the loan principal by the Chengdu Wenjiang government in November 2017. This was partially offset by the higher interest income from RMB deposits of S\$6.4 million during the year.

## **Share of after-tax results of associated companies**

Share of after-tax results of associated companies decreased by 70.3 per cent. or S\$8.7 million from S\$12.3 million in FY2016 to S\$3.6 million in FY2017. The decrease was due mainly to the Group's share of the gain on disposal of nine non-core properties by FSMC of S\$9.7 million in FY2016.

## **Tax expense**

The Group recorded tax expense of S\$27.9 million on profit before tax of S\$121.2 million in FY2017, which included land appreciation tax of S\$8.5 million. After adjusting for the share of after-tax results of associated companies, the tax effect of non-deductible expenses of S\$6.2 million and non-taxable income of S\$11.0 million, the effective tax rate of the Group was approximately 22.6 per cent.

## **Financial Position**

---

5. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –**
- (a) the most recently completed financial year for which audited financial statements have been published; or**
  - (b) if interim financial statements have been published for any subsequent period, that period.**
- 

Please see **Appendix E** to this Offer Information Statement for the audited consolidated statement of financial position of the Group as at 31 December 2018 and the unaudited consolidated statement of financial position of the Group as at 31 March 2019.

6. The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:

- (a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
- (b) net assets or liabilities per share; and
- (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

	Group	
	As at 31 December 2018 (Audited)	As at 31 March 2019 (Unaudited)
<b>Before conversion of all the Series 1 Convertible Securities outstanding as at such date and before completion of the Rights Issue and the Bonus Issue</b>		
Number of Shares <sup>(1)</sup>	648,707,986	653,472,362
Net asset value (S\$'000) <sup>(2)</sup>	1,311,781	1,342,130
Net asset value per Share (cents)	202.21	205.38
<b>Assuming conversion of all the Series 1 Convertible Securities outstanding as at such date but before completion of the Rights Issue and the Bonus Issue<sup>(3)</sup></b>		
Number of Shares <sup>(1)</sup>	795,942,036	795,942,036
Net asset value (S\$'000)	1,311,781	1,342,130
Net asset value per Share (cents)	164.81	168.62
<b>Assuming conversion of all the Series 1 Convertible Securities outstanding as at such date and completion of the Rights Issue and the Bonus Issue<sup>(3), (4)</sup></b>		
Number of Shares <sup>(1),(5)</sup>	1,102,597,876	1,102,597,876
Net asset value (S\$'000)	1,709,134	1,739,482
Net asset value per Share (cents)	155.01	157.76

**Notes:**

- (1) The number of Shares excludes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company, since August 2018 which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with *IAS 32 Financial Instruments: Presentation*.
- (2) Computed based on the equity attributable to owners of the Company (including perpetual convertible capital securities and excluding non-controlling interests).
- (3) Assuming that 147,234,050 and 142,469,674 new Shares are issued pursuant to the conversion of 147,234,050 and 142,469,674 Series 1 Convertible Securities outstanding as at 31 December 2018 and 31 March 2019 (as the case may be) at the conversion price of S\$1.10.
- (4) Assuming: (a) (i) the maximum S\$147,649,108.10 in principal amount of Series 2 Convertible Securities and the maximum of 193,079,603 Warrants are issued pursuant to the Rights Issue and the Bonus Issue; (ii) the conversion of all the Series 2 Convertible Securities into Conversion Shares at the Conversion Price; (iii) no adjustment is made to the Conversion Price; (iv) the exercise of all the Warrants into Warrant Exercise Shares at the Exercise Price; (v) no adjustment is made to the Exercise Price and/or the number of Warrants; and (vi) there are no effects of the use of the Total Proceeds on the earnings of the Group; and (b) the events in sub-paragraph (a) were completed as at 31 December 2018 and as at 31 March 2019 (as the case may be).
- (5) Assuming that Wenjiang BVI will trade its Rights and Warrants entitled under the Bonus Issue.

## Liquidity and Capital Resources

---

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recently completed financial year for which financial statements have been published; and
  - (b) if interim financial statements have been published for any subsequent period, that period.
- 

Please see **Appendix F** to this Offer Information Statement for the audited consolidated statement of cash flows of the Group for FY2018 and the unaudited consolidated statement of cash flows of the Group for 1Q2019.

### 1Q2019

Net cash from operating activities of S\$115.3 million in 1Q2019 was due mainly to the repayment of loan from a PRC associated company of S\$120.4 million (RMB600.0 million, based on the average exchange rate of S\$1.00: RMB4.9826 for the period from 1 January 2019 to 31 March 2019) and net interest received of S\$17.9 million, partially offset by tax paid of S\$1.4 million and payment of construction costs for the Millennium Waterfront.

Net cash used in investing activities of S\$269.6 million in 1Q2019 was due mainly to placement of structured deposits of S\$179.7 million, payment for acquisition of subsidiaries (net of cash acquired) of S\$69.4 million (EUR45.0 million, based on the average exchange rate of EUR1.00: S\$1.5420, for the period from 1 January 2019 to 31 March 2019) relating to the Dresden Acquisition (subject to completion adjustments), payment of deposit amounting to S\$30.1 million (RMB150.0 million, based on the average exchange rate of S\$1.00: RMB4.9826 for the period from 1 January 2019 to 31 March 2019) relating to the Concord Acquisition, and the acquisition of the vacant property in Milan the consideration of which amounted to S\$16.2 million. This was partially offset by the collection of sale proceeds amounting to S\$27.0 million from the disposal of certain parts of Chengdu Cityspring Property.

Net cash from financing activities amounted to S\$132.2 million in 1Q2019 due mainly to the net drawdown of bank borrowings of S\$78.1 million and advances from associated companies of S\$57.3 million. This was partially offset by payment of lease liabilities, transaction costs of borrowings and interest of S\$1.5 million, S\$0.9 million and S\$0.8 million respectively.

### FY2018

Net cash used in operating activities of S\$296.7 million in FY2018 was mainly attributable to net disbursement of PRC property financing loans and loans to associated companies and joint ventures of S\$185.5 million in aggregate, payment of interest and income tax of S\$13.1 million and S\$22.1 million, respectively, as well as payment of construction costs for the Millennium Waterfront. These outflows were partially offset by net penalty interest received from the defaulted loans under Case 2 and interest from property financing loans of S\$80.7 million in aggregate.

Net cash from investing activities of S\$21.0 million in FY2018 was mainly attributable to the interest received of S\$15.4 million, dividends received from an associated company of

S\$18.3 million, return of capital from an associated company of S\$5.4 million and proceeds from the disposal of assets held-for-sale and investment properties of S\$36.5 million and S\$3.3 million, respectively. This was partially offset by net placement of structured deposits of S\$1.4 million, capital expenditure of investment properties of S\$15.9 million, payment for acquisition of other investments of S\$3.4 million and payment for investments in an associated company and joint ventures amounting to S\$36.8 million in aggregate.

Net cash from financing activities amounted to S\$85.1 million in FY2018 and was due mainly to net proceeds of S\$161.5 million from the issuance of Series 1 Convertible Securities and net repayment of advances from associated companies of S\$3.0 million. This was partially offset by the net repayment of bank borrowings of S\$52.4 million, payment of dividends to the owners of the Company of S\$14.3 million and distributions to Series 1 Convertible Securities holders amounting to S\$4.5 million.

- 
- 8. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgement of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application monies will be returned to investors if the minimum net proceeds are not raised.**
- 

As at the date of lodgement of this Offer Information Statement, the Directors are of the reasonable opinion that, after taking into consideration the present bank facilities and operating cash flows of the Group, and barring any unforeseen circumstances, the working capital available to the Group is sufficient to meet the Group's requirements for at least the next 12 months.

---

- 9. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide –**
- (a) a statement of that fact;**
  - (b) details of the credit arrangement or bank loan; and**
  - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
- 

As at the date of lodgement of this Offer Information Statement, to the best of the Directors' knowledge, none of the entities within the Group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could

materially affect the Company's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

## Trend Information and Profit Forecast or Profit Estimate

---

### 10. Discuss –

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and
  - (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.
- 

#### Industry Outlook

##### *The Netherlands*

The Company expects the commercial office sector in the Netherlands to continue to be challenging in 2019 with scarcity of space and a lack of new supply. The Company believes the inherent scarcity is positive for office owners who have seen rising rental rates across office locations.

##### *The PRC*

The Company expects the PRC to face intensifying downward pressures on growth in 2019. However, sharp decelerations in growth are not expected should the PRC government provide further policy easing and add stimulus to the economy to help moderate such slowdown.

#### Company Outlook

##### *Property Development*

The Group's property development business in Dongguan, PRC is expected to grow in 2019.

In January 2019, the Group's 30.0 per cent.-owned Star of East River Project in Dongguan commenced the handover of two of the six fully sold residential apartment blocks, with the remaining four residential blocks expected to be handed over in the second half of 2019. As at the Latest Practicable Date, the 1,528 units from the two SOHO blocks which were launched for pre-sale in late September 2018 are 65.9 per cent. sold. The sales permit for the 250-metre high office tower was obtained in late November 2018 and the pre-sales performance has been encouraging. Of the 76,594 sq m saleable GFA in respect of the office tower which has been launched for pre-sale, approximately 46.7 per cent. of the GFA has been sold as at the Latest Practicable Date. Of a total of 31,000 sq m of lettable floor area in respect of the retail mall which is expected to be operational in late 2019, approximately 67.1 per cent. of the GFA has been pre-leased as at the Latest Practicable Date.

All 137 residential villas in the Emerald of the Orient Project in Dongguan, which was acquired in July 2018, were sold within four months of its launch in December 2018. The Group has an indirect effective stake of 20.4 per cent. in the project in respect of which a

further (a) 854 residential apartments are expected to be launched for sale during the second half of 2019, and (b) 31 residential villas and 222 residential apartments will be available for lease for a period up to the expiry of five years upon obtaining the housing title certificates, after which they would be available for sale in accordance with the land tender conditions.

In April 2019, the Group entered into a sale and purchase agreement subsequent to the entry into of the Framework Agreement in March 2019 in connection with the Concord Acquisition. The Group intends to designate a third party to be one of the purchasers, subject to the Group retaining a controlling equity stake in the Target Group upon completion of the Concord Acquisition. Up to approximately 76,570 sq m of GFA, comprising approximately 66,000 sq m (86.0 per cent.) of residential GFA and approximately 10,570 sq m (14.0 per cent.) of commercial GFA, may be developed on the site. If the Concord Acquisition is successfully completed, the Group intends to take the lead in the management of the development project and work towards the pre-sale launch of Phase 1 of the development as soon as commercially viable.

### *Property Holding*

The Group's property holding business is expected to grow in 2019 with such growth expected to be attributable to the income contribution with effect from 1 April 2019 from the 94.9 per cent. equity stake in the 340-room Westin Bellevue Dresden Hotel, as well as higher gross profit contributions from the Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels. In addition, the redevelopment of the Munthof and development of the Oliphant<sup>(1)</sup> were completed in January 2019 and February 2019, respectively. These properties are substantially leased and together with the higher occupancy of the Mondriaan Tower, are expected to further contribute to the income of the Group's European property portfolio in FY2019.

The development of the two Utrecht hotels, namely the 142-room Crowne Plaza hotel and the 193-room Hampton by Hilton hotel, is expected to be completed in FY2019. These hotels, which will be managed by the Group are strategically located adjacent to the approximately 85,700 sq m large scale shopping mall Hoog Catharijne which is situated adjacent to the Utrecht Central Station. The Group intends to explore the sale of the hotels to FSMC in due course, thereby generating further profit while still maintaining a meaningful stake for future capital gain and recurrent income.

The Group aims to undertake a major capital expenditure programme to upgrade the Westin Bellevue Dresden Hotel during the course of this year to improve its appeal to guests. In addition, the Group expects to commence work to completely refurbish a recently acquired vacant six-storey building in Milan, Italy, which is located in one of Milan's busiest high streets, into a hostel targeting the youth hospitality market.

### *Property Financing*

The Group's property financing business is expected to grow in 2019 as the Group intends to continue expansion of its property financing business in the PRC, Europe and other markets, such as Australia, in a prudent manner.

The Group's property financing business recorded significant revenue growth of more than 70.0 per cent. in FY2018 and has overtaken the property development business as the largest profit contributor for the Group, accounting for 45.7 per cent. of the gross profit for FY2018. This performance was underpinned by the full year effect of loans disbursed during 2017, new loans disbursed to associated companies for property acquisitions and the strong demand for credit in the PRC. The average PRC property financing loan book has more than doubled for FY2018 over FY2017. In addition, in late 2018, the Group and Tai Tak entered

into a 50-50 joint venture which disbursed an AUD50.0 million loan secured on a prime property located in Melbourne, Australia.

The Group began 2019 with a total loan portfolio in the PRC of RMB2.8 billion. Consequently, the property financing business achieved a strong showing for 1Q2019, recording a gross profit of S\$21.8 million, which represents a 87.0 per cent. quarter-on-quarter increase over 1Q2018's gross profit of S\$11.6 million (excluding one-off penalty interest). While RMB1.1 billion of the loan portfolio in the PRC has been repaid in March and April 2019, the Group aims to maintain a healthy PRC loan book with a few potential property financing deals in the pipeline.

Save as disclosed in this Section, in the Section titled "**Risk Factors**" of this Offer Information Statement as well as in the consolidated statements of profit or loss of the Group for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019, the consolidated statements of comprehensive income of the Group for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019, the consolidated statements of financial position of the Group as at 31 December 2018 and 31 March 2019 and the consolidated statements of cash flows of the Group for FY2018 and 1Q2019 as set out in **Appendices C to F** to this Offer Information Statement, respectively, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

**Note:**

- (1) The Group is considering the sale of the Oliphant to FSMC to generate development profit while retaining a meaningful stake for future capital appreciation and recurrent income. Until such time, the Oliphant will continue to be classified under the Group's property development business.

---

**11. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

---

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

---

**12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

---

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

---

**13. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

---

Not applicable. No profit forecast is disclosed in this Offer Information Statement.



---

**14. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –**

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

---

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

---

**15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part –**

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**
- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

---

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

## Significant Changes

---

16. Disclose any event that has occurred from the end of –

- (a) the most recently completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

---

Save as disclosed in paragraph 8(c) of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**” of this Offer Information Statement, there is no event that has occurred from 1 April 2019 to the Latest Practicable Date which may have a material effect on the Group’s financial position and results.

### Meaning of “published”

---

17. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

---

Noted.

## PART 6 – THE OFFER AND LISTING

### Offer and Listing Details

---

- 1. Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**
- 

#### Issue Price of the Series 2 Convertible Securities

The Issue Price is 100.0 per cent. of the principal amount of the Series 2 Convertible Securities at S\$1.30 for each Series 2 Convertible Security, payable in full upon acceptance and/or application. For the avoidance of doubt, no further cash outlay will be required from Securityholders for the conversion of the Series 2 Convertible Securities into Conversion Shares.

For each Electronic Application made through the ATMs of the Participating Banks, a non-refundable administrative fee of S\$2.00 for each application will be charged by each of the respective Participating Banks at the point of application.

The expenses incurred by the Company in carrying out the Rights Issue and the Bonus Issue will not be specifically charged by the Company to Entitled Shareholders, renounees of Rights Issue Entitled Shareholders or Purchasers for subscribing for or accepting (as the case may be) the Series 2 Convertible Securities with Warrants.

#### Exercise Price of the Warrants

The Warrants under the Rights Issue and the Bonus Issue will be issued free. The Exercise Price is S\$1.30 for each Warrant (subject to any adjustments to the Exercise Price as set out in the Terms and Conditions of the Warrants), payable in full upon exercise of a Warrant.

---

- 2. If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
- 

#### Series 2 Convertible Securities

There is no established market for the Series 2 Convertible Securities.

The Board of Directors has determined the Issue Price of each Series 2 Convertible Security to be 100.0 per cent. of its principal amount at S\$1.30.

Conversion Shares will be issued upon conversion of the Series 2 Convertible Securities. Subject to adjustments set out in the Terms and Conditions of the Series 2 Convertible Securities, the initial price at which one Series 2 Convertible Security will be converted into one Conversion Share has been determined by the Board of Directors to be S\$1.30. The

initial Conversion Price of S\$1.30 represents a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which trades were done in the Shares prior to the release of the First Announcement and a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date.

Approval in-principle has been received from the SGX-ST for up to 113,749,959 Series 2 Convertible Securities to be issued pursuant to the Rights Issue and up to 113,749,959 Conversion Shares to be traded on the Main Board of the SGX-ST, subject to satisfaction of the conditions prescribed by the SGX-ST. In the event that there are adjustments to the Conversion Price which would require additional Conversion Shares to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such additional Conversion Shares on the Official List of the SGX-ST at the relevant time.

The Series 2 Convertible Securities are in nature different from non-convertible perpetual securities.

As equity-linked instruments, the theoretical value of the Series 2 Convertible Securities will be based on a “sum of the parts”, with the following three main components:

- (a) entitlement to Distributions: payment of Distributions is set at 3.98 per cent. per annum. The Distributions are deferrable at the sole discretion of the Company pursuant to the Terms and Conditions of the Series 2 Convertible Securities;
- (b) the right to convert: a Securityholder can convert his Series 2 Convertible Securities into Conversion Shares. See the Section titled “**Summary of the Rights Issue – Conversion Terms**” of this Offer Information Statement. Hence, the theoretical minimum value of the Series 2 Convertible Security is the value of the underlying Shares; and
- (c) priority in a winding-up: in the event of a winding-up of the Company, a holder of a Series 2 Convertible Security has priority of payment over a holder of a Share. Based on the current structure of the share capital of the Company, which consists of one class of shares (namely, the Shares) only, the Series 2 Convertible Securities are junior in priority of repayment to all indebtedness (save for the Series 1 Convertible Securities to which they rank *pari passu*) and senior in priority of repayment only to the Shares.

As with any market instrument, the market price can deviate significantly from theoretical value, based on, among other things, the supply and demand dynamics around the product in question and the general market. The value of the Series 2 Convertible Securities and the income derived from them may fall as well as rise. An investment in the Company is subject to the financial risks of the Company and also to investment risks, including the possible loss of the principal amount invested.

The following should also be noted: the Series 2 Convertible Securities are perpetual securities and Securityholders have no right of redemption; the Company’s obligations under the Series 2 Convertible Securities are subordinated in the event of a winding-up; there are limited remedies available to a Securityholder in the event of non-payment of any Distributions, there will be risks of there not being an active or liquid market for the Series 2 Convertible Securities and listing is subject to there being a sufficient spread of Series 2 Convertible Securities; Distributions are deferrable at the Company’s sole discretion and hence may not be paid at a time and in a manner expected by Securityholders; and a Securityholder who does not convert his Series 2 Convertible Securities into Conversion Shares, may not be able to participate in future fund raisings in the form of rights offerings,

and hence to the extent that adjustments are not required to be made to the prevailing Conversion Price as a result of such rights offerings, the Securityholder's interest may effectively be diluted.

Upon any exercise of the Conversion Right under the Series 2 Convertible Securities, Rights Issue Entitled Shareholders who have not exercised their Rights to acquire their entitlements to the Series 2 Convertible Securities and/or their Conversion Right under their Series 2 Convertible Securities may also have their proportionate voting and ownership interest reduced on the issue of additional Conversion Shares to other Securityholders. However, it should be borne in mind that upon the exercise of such Conversion Right, in the event of a winding-up, a holder of a Conversion Share will then be junior to a holder of a Series 2 Convertible Security in any return of the Company's assets.

### Warrants

There is no established market for the Warrants.

The Warrants will be issued free under the Rights Issue and the Bonus Issue.

The Board of Directors has determined the Exercise Price to be S\$1.30, which represents a premium of approximately 2.36 per cent. over the last transacted price of the Shares on the Official List of the SGX-ST on 25 March 2019, being the last trading day on which trades were done in the Shares prior to the release of the first First Announcement and a premium of approximately 1.56 per cent. over the closing price of the Shares on 30 April 2019, being the Latest Practicable Date.

Approval in-principle has been received from the SGX-ST for up to 193,374,930 Warrants to be issued pursuant to the Rights Issue and the Bonus Issue and up to 193,374,930 Warrant Exercise Shares to be traded on the Main Board of the SGX-ST, subject to satisfaction of the conditions prescribed by the SGX-ST. In the event that there are adjustments to the number of Warrants which would require additional Warrants and/or Warrant Exercise Shares (as the case may be) to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such additional Warrants and/or Warrant Exercise Shares on the Official List of the SGX-ST at the relevant time.

---

### 3. If –

- (a) **any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and**
- (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

**indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.**

---

Pursuant to the Rights Issue, the Series 2 Convertible Securities with Warrants will be offered to Rights Issue Entitled Shareholders<sup>(1)</sup> and pursuant to the Bonus Issue, Warrants will be issued to Bonus Issue Entitled Shareholders<sup>(1)</sup>. Save for the foregoing, none of the Shareholders or other equity interest-holders of the Company has pre-emptive rights to subscribe for the Series 2 Convertible Securities or the Warrants.

As there may be prohibitions or restrictions against the offering of the Series 2 Convertible Securities with Warrants in certain jurisdictions, only Rights Issue Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Sections titled “**Eligibility of Shareholders to Participate in the Rights Issue**” and “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement for further information.

As there may be prohibitions or restrictions against the offering of the Warrants in certain jurisdictions, only Bonus Issue Entitled Shareholders are eligible to participate in the Bonus Issue. Please refer to the Sections titled “**Eligibility of Shareholders to Participate in the Bonus Issue**” and “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement for further information.

**Note:**

- (1) As at the date of this Offer Information Statement, 307,682 Shares are held by Wenjiang BVI. Although Wenjiang BVI is a Rights Issue Entitled Shareholder, it will not be subscribing for its provisional allotments of the Series 2 Convertible Securities with Warrants under the Rights Issue. However, Wenjiang BVI will be able to trade its Rights on the SGX-ST during the Rights trading period. As Wenjiang BVI is a Bonus Issue Entitled Shareholder, it will be issued 30,768 Warrants under the Bonus Issue.

**4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –**

**(a) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts –**

- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**

The Series 2 Convertible Securities are a new issue of securities with no established trading market. The Series 2 Convertible Securities are convertible into Conversion Shares. Likewise, the Warrants are a new issue of securities-based derivatives contracts with no established trading market. The Warrants may be exercised into Warrant Exercise Shares.

The highest and lowest market prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 April 2019 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares traded <sup>(3)</sup>
	High <sup>(1)</sup> (S\$)	Low <sup>(2)</sup> (S\$)	
April 2018	1.38	1.26	569,700
May 2018	1.28	1.25	156,500
June 2018	1.31	1.24	159,600
July 2018	1.32	1.24	545,500
August 2018	1.28	1.25	357,700

Month	Price Range		Volume of Shares traded <sup>(3)</sup>
	High <sup>(1)</sup> (S\$)	Low <sup>(2)</sup> (S\$)	
September 2018	1.29	1.24	238,500
October 2018	1.30	1.24	254,800
November 2018	1.30	1.27	183,400
December 2018	1.30	1.28	279,200
January 2019	1.29	1.25	111,200
February 2019	1.29	1.23	407,400
March 2019	1.31	1.27	2,543,800
1 April 2019 to the Latest Practicable Date	1.31	1.27	772,000

Source: Bloomberg L.P.

*Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA, to the inclusion of the information referred to above and is therefore not liable for such information under Sections 253 and 254 of the SFA. While the Directors and the Manager of the Rights Issue have taken reasonable actions to ensure that the above information have been reproduced in their proper form and context, neither the Directors, the Manager of the Rights Issue nor any other party has conducted an independent review of this information or verified the accuracy of the contents of the relevant information.*

**Notes:**

- (1) Based on the highest closing price of the Shares in a particular month/period.
- (2) Based on the lowest closing price of the Shares in a particular month/period.
- (3) Based on the total volume of the Shares traded in a particular month/period.

---

**(b) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts –**

- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and**
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;**

---

Not applicable.

- 
- (c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and**
- 

Not applicable as the Series 2 Convertible Securities and the Warrants are a new issue of securities. However, there has been no significant trading suspension of the Shares on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

---

- (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.**
- 

Not applicable.

---

- 5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –**
- (a) a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and**
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.**
- 

#### Series 2 Convertible Securities

The Series 2 Convertible Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company which rank *pari passu*, without any preference among themselves, and *pari passu* with any Parity Obligations of the Company.

Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Company, the rights of the Securityholders to payment of the principal amount of the relevant Series 2 Convertible Security together with accrued and unpaid Distributions (including any unpaid Arrears of Distribution) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least *pari passu* with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Series 2 Convertible Securities, but always in priority to the claims of Shareholders.

The rights and claims of the Securityholders in respect of the Series 2 Convertible Securities are subordinated as provided in Condition 3 of the Terms and Conditions of the Series 2 Convertible Securities. The consent of the Securityholders will not be required for the issuance of any Parity Obligation or any other obligation ranked senior to the Series 2 Convertible Securities.

Please refer to the Terms and Conditions of the Series 2 Convertible Securities as set out in **Appendix A** to this Offer Information Statement.



### Conversion Shares

The Conversion Shares will, upon allotment and issue, be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant conversion date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Shares will not rank for (or as the case may be, the relevant holder shall not be entitled to receive) any dividends, rights, allocations or other distributions that may be declared or paid the record date or other due date for the establishment of entitlement for which falls prior to the relevant conversion date, subject to the Terms and Conditions of the Series 2 Convertible Securities. Except as provided in Articles 48 to 51 of the Memorandum and Articles of Association of the Company and the Section titled “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement, there are no restrictions on the transferability of the Conversion Shares.

### Warrant Exercise Shares

The Warrant Exercise Shares allotted and issued upon the exercise of the Warrants shall be fully paid and will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allocations and other distributions that may be declared or paid, the record date for which is before the relevant exercise date of the Warrants. Except as provided in Articles 48 to 51 of the Memorandum and Articles of Association of the Company and the Section titled “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement, there are no restrictions on the transferability of the Warrant Exercise Shares.

### Further Issues

Under Condition 13 of the Terms and Conditions of the Series 2 Convertible Securities, the Company may from time to time without the consent of the Securityholders create and issue further perpetual securities either having the same terms and conditions as the Series 2 Convertible Securities in all respects, or in all respects except for the issue date, the issue price and/or the first payment of Distributions on them, and so that such further issue shall be consolidated and form a single series with the outstanding perpetual securities of any series (including the Series 2 Convertible Securities) or upon terms as the Company may determine at the time of their issue.

Under Condition 8 of the Terms and Conditions of the Warrants, the Company shall be at liberty to issue Shares to Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

### Resolutions

The Shareholders had, by ordinary resolution passed at the annual general meeting of the Company held on 24 April 2019 (the “**Ordinary Resolution**”), given a general mandate to the Directors pursuant to Article 12 of the Memorandum and Articles of Association of the Company and Rule 806 of the Listing Manual, to:

- (a) (i) issue Shares whether by way of bonus, rights or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, options, debentures or other instruments convertible into Shares; and/or

- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issue; and
- (b) (notwithstanding that the authority conferred by the Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:

- (i) the aggregate number of Shares to be issued pursuant to the Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall not exceed 50.0 per cent. of the total number of issued Shares (excluding treasury shares) or such other limit as may be prescribed by the SGX-ST at the time of passing of the Ordinary Resolution;
- (ii) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) to be issued other than on a *pro rata* basis to Shareholders shall not exceed 20.0 per cent. of the total number of issued Shares (excluding treasury shares) or such other limit as may be prescribed by the SGX-ST at the time of passing of the Ordinary Resolution;
- (iii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time of passing of the Ordinary Resolution after adjusting for any new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time of passing of the Ordinary Resolution and any subsequent bonus issue, consolidation or subdivision of the Shares; and
- (iv) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier.

## Plan of Distribution

- 
- 6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
- 

### Rights Issue

#### *Basis of Provisional Allotment*

The Rights Issue of up to S\$147,649,108.10<sup>(1)</sup> in aggregate principal amount of Series 2 Convertible Securities in the denomination of S\$1.30 for each Series 2 Convertible Security, with up to 113,576,237<sup>(1)</sup> Warrants, is made on a renounceable basis to Rights Issue Entitled Shareholders on the basis of: (a) one Series 2 Convertible Security for every seven existing Shares held by Rights Issue Entitled Shareholders at the Rights Issue Books Closure Date,

fractional entitlements to be disregarded; and (b) one Warrant for every one Series 2 Convertible Security validly subscribed for.

The Series 2 Convertible Securities are payable in full upon acceptance and/or application. Please refer to paragraph 1 of Part 3 of this Offer Information Statement for further details.

#### *Rights Issue Entitled Shareholders*

Rights Issue Entitled Shareholders will be provisionally allotted the Series 2 Convertible Securities with Warrants under the Rights Issue on the basis of their shareholdings as at the Rights Issue Books Closure Date. They are at liberty to accept (in full or in part) or decline their provisional allotments of the Series 2 Convertible Securities with Warrants, and are eligible to apply for additional Series 2 Convertible Securities with Warrants in excess of their provisional allotments under the Rights Issue.

All fractional entitlements to the Series 2 Convertible Securities and the Warrants will be disregarded in arriving at the entitlements of Rights Issue Entitled Shareholders and will, together with the entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for excess Series 2 Convertible Securities with Warrants, or dealt with in such manner as the Directors in their absolute discretion deem fit. In compliance with the conditions set out in the AIP, in the allotment of excess Series 2 Convertible Securities with Warrants, preference will be given to the rounding of odd lots in the allotment of any excess Series 2 Convertible Securities with Warrants as required under Rule 877(10) of the Listing Manual and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, including RHRL, MCHIL and TTAPL, will rank last in priority for the rounding of odd lots and the allotment of excess Series 2 Convertible Securities with Warrants.

As described in paragraph 1(f) of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 10 – Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by Way of Rights Issue**” of this Offer Information Statement, the Undertaking Shareholders have undertaken, *inter alia*, to subscribe and/or procure subscriptions for their provisional allotments of an agreed number of Series 2 Convertible Securities with Warrants under the Rights Issue.

Please refer to the above-mentioned section for further details on the Rights Issue and the Undertakings.

As there may be prohibitions or restrictions against the offering of Rights, the Warrants, the Series 2 Convertible Securities, the Conversion Shares and the Warrant Exercise Shares in certain jurisdictions, only Rights Issue Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Sections titled “**Eligibility of Shareholders to Participate in the Rights Issue**” and “**Offering, Selling and Transfer Restrictions**” of this Offer

Information Statement for further details.

#### *Foreign Shareholders*

Foreign Shareholders will not be allowed to participate in the Rights Issue. Accordingly, no provisional allotments of Series 2 Convertible Securities with Warrants will be made to Foreign Shareholders and no purported acceptance or application for Series 2 Convertible Securities with Warrants by Foreign Shareholders will be valid.

#### Bonus Issue

The Company will be issuing up to 79,503,366<sup>(1)</sup> Warrants under the Bonus Issue to Bonus Issue Entitled Shareholders on the basis of one Warrant for every 10 existing Shares held by Bonus Issue Entitled Shareholders at the Bonus Issue Books Closure Date, fractional entitlements to be disregarded. Fractional entitlements to the Warrants that are disregarded in arriving at Bonus Issue Entitled Shareholders' allotments will be dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company. The Warrants are issued free to Bonus Issue Entitled Shareholders and are not offered through any broker or dealer.

As there may be prohibitions or restrictions against the allotment of the Warrants in certain jurisdictions, only Bonus Issue Entitled Shareholders are eligible to participate in the Bonus Issue. Please refer to the Section titled "**Eligibility of Shareholder to Participate in the Bonus Issue**" of this Offer Information Statement for further details.

The allotment and issue of the Warrants pursuant to the Bonus Issue is governed by the terms and conditions as set out in this Offer Information Statement, including **Appendix B** to this Offer Information Statement.

#### **Note:**

- (1) As Foreign Shareholders will not be allowed to participate in the Bonus Issue, no Warrants will be issued to them. Accordingly, the actual number of Warrants that are issued under the Bonus Issue may be lower. In addition, the actual principal amount of Series 2 Convertible Securities and the actual number of Warrants which are issued under the Rights Issue may be lower, depending on the level of subscription.

---

**7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.**

---

#### Rights Issue

Not applicable as the Rights Issue is not underwritten.

#### Bonus Issue

Not applicable. The Warrants will be issued free to Bonus Issue Entitled Shareholders.

## PART 7 – ADDITIONAL INFORMATION

### Statements by Experts

---

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
- 

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

---

- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**
- (a) state the date on which the statement was made;**
  - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
  - (c) include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
- 

Not applicable. No statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert is included in this Offer Information Statement.

---

- 3. The information mentioned in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**
- 

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

---

### Consents from Issue Managers and Underwriters

---

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
- 

United Overseas Bank Limited, as the Manager of the Rights Issue, has given and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager of the Rights Issue.

## Other Matters

---

- 5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –**
- (a) the relevant entity’s business operations or financial position or results; or**
  - (b) investments by holders of securities or securities-based derivatives contracts in the relevant entity.**
- 

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matters which could materially affect, directly or indirectly, the Group’s business operations, financial position, or results or investments by holders of securities or securities-based derivatives contracts in the Company.

**PART 8 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR  
UNITS OF DEBENTURES**

**Guarantor Entity, Advisers and Agents**

---

- 1. Provide the name and address of each paying agent of the relevant entity.**
- 

Please refer to paragraph 3 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 2 – Identity of Directors, Advisers and Agents**” of this Offer Information Statement.

- 2. In the case of a guaranteed debenture issue, provide –**
- (a) the name and address of the guarantor entity; and**
  - (b) the names and addresses of each of the directors or equivalent persons of the guarantor entity.**
- 

Not applicable.

---

- 3. Provide the name and address of the trustee, fiscal agent or any other representative for the debenture holders, and the main terms of the document governing such trusteeship or representation, including provisions concerning the functions, rights and obligations of the trustee, fiscal agent or representative. Disclose any conditions precedent or other requirements that are to be satisfied before the trustee, fiscal agent or representative will –**
- (a) enforce a lien against the property of the relevant entity;**
  - (b) act on behalf of the debenture holders; or**
  - (c) take any action at the request of the debenture holders.**
- 

The names and addresses of the Trustee, the Registrar, the Conversion Agent, Calculation Agent, Transfer Agent and the Paying Agent are set out in the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 2 – Identity of Directors, Advisers and Agents**” of this Offer Information Statement.

Trust Deed

The Series 2 Convertible Securities will be constituted by the Trust Deed to be entered into between the Company, as issuer, and Perpetual (Asia) Limited, as trustee for the Securityholders. The Trustee has agreed to act as trustee of the Trust Deed for the benefit of the Securityholders on the terms and subject to the conditions contained in the Trust Deed and the Series 2 Convertible Securities. The rights and interests of the Securityholders will be contained in the Trust Deed. The Trust Deed will provide for the Trustee to take action on behalf of the Securityholders in certain circumstances, subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction. In particular, subject to the

terms of the Trust Deed and Condition 10 of the Terms and Conditions of the Series 2 Convertible Securities, the Trustee may, without further notice to the Company institute such proceedings against the Company as it may think fit to enforce any term or condition binding on the Company under the Series 2 Convertible Securities or the Trust Deed including delivery of Conversion Shares upon exercise of Conversion Rights (other than any payment obligation of the Company under or arising from the Series 2 Convertible Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution) in respect of the Series 2 Convertible Securities and any damages awarded for breach of any obligations) and in no event shall the Company, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it. The Trustee shall not be bound to take any steps (including, without limitation, giving notice that the Series 2 Convertible Securities are due and repayable in accordance with Condition 10 of the Terms and Conditions of the Series 2 Convertible Securities) to enforce the performance by the Company of any of the provisions of the Issue Documents (as defined in the Trust Deed) or of the Series 2 Convertible Securities unless (a) it shall have been so requested in writing by the Securityholders of not less than 25 per cent. in principal amount of the Series 2 Convertible Securities outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims, demands and liabilities to which it may thereby become liable and all costs, charges, damages and expenses which may be incurred by it in connection therewith.

The Trustee may in relation to any of the Issue Documents (as defined in the Trust Deed) act (or refrain from acting) on the opinion, advice or certificate of, or any information obtained from, any lawyer, valuer, banker, securities company, broker, accountant, surveyor, auctioneer or other expert in Singapore or elsewhere whether obtained by the Trustee, the Company, any subsidiary of the Company or the Paying Agent or otherwise, and, shall not be responsible for any loss occasioned by so acting (or refraining from acting).

The Trust Deed will also provide that the Trustee shall not be bound to make any enquiry or to take any steps to ascertain whether any Enforcement Event (as defined in the Trust Deed) has occurred and, until it shall have actual knowledge or shall have express notice to the contrary, the Trustee shall be entitled to assume without enquiry (it being the intention that it should assume without enquiry), and shall not be liable for assuming that no such event has happened and that the Company and its subsidiaries is performing all its obligations under the Issue Documents and under the Series 2 Convertible Securities. In particular, the Trustee shall not be required to monitor the financial performance of the Company.

The Trust Deed will be governed by, and construed in accordance with, the laws of Singapore, save that clauses 2.2 to 2.5 of the Trust Deed shall be governed by, and construed in accordance with, the laws of the Cayman Islands.

The other functions, rights and obligations of the Trustee will be set out in the Trust Deed.

#### Agency Agreement

The administrative matters relating to the Series 2 Convertible Securities will be addressed in the Agency Agreement.

Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) will be appointed as the Registrar, the Conversion Agent and the Transfer Agent, and Perpetual (Asia) Limited will be appointed as the Paying Agent and the Calculation Agent in respect of the Series 2 Convertible Securities in accordance with the terms and conditions of the Agency Agreement.



The Registrar will maintain a register for the Series 2 Convertible Securities in accordance with the terms and conditions of the Agency Agreement.

The Conversion Agent and Transfer Agent will facilitate the conversion of the Series 2 Convertible Securities into Conversion Shares and the transfer of the Series 2 Convertible Securities in accordance with the Agency Agreement and the Terms and Conditions of the Series 2 Convertible Securities.

The Paying Agent will, in accordance with the Agency Agreement and the Terms and Conditions of the Series 2 Convertible Securities, pay or cause to be paid on behalf of the Company on and after each due date for payment the amounts due in respect of the Series 2 Convertible Securities.

The functions, rights and obligations of the Registrar, the Conversion Agent, the Transfer Agent, the Calculation Agent and the Paying Agent will be set out in the Agency Agreement.

#### Depository Agreement and Deed of Covenant

CDP will be appointed to act as depository for the Series 2 Convertible Securities on the terms and conditions of the Depository Agreement and the Deed of Covenant. So long as the Series 2 Convertible Securities are held by or on behalf of CDP, transactions in the Series 2 Convertible Securities can only be cleared and settled on a book-entry basis through the computerised system operated by CDP.

The Terms and Conditions of the Series 2 Convertible Securities are set out in **Appendix A** to this Offer Information Statement.

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and the Depository Agreement will be available for inspection at the principal office of the Trustee and the specified offices of the Paying Agent from the date of the issue of the Series 2 Convertible Securities, in accordance with the Terms and Conditions of the Series 2 Convertible Securities.

- 
- 4. If, in the reasonable opinion of the directors or equivalent persons, the trustee or representative for the debenture holders has a material relationship with the relevant entity which could cause a conflict to arise between the trustee's or representative's interest as a trustee or representative for the debenture holders and the trustee's or representative's other interests, describe the nature and terms of such relationship and explain why the directors or equivalent persons of the relevant entity still consider the appointment to be appropriate.**
- 

The Directors are of the reasonable opinion that the Trustee does not have a material relationship with the Company which could cause a conflict to arise between the Trustee's interest as the trustee for the Series 2 Convertible Securities and the Trustee's other interests.

---

## Offer Statistics

---

### 5. State

- (a) where the amount of subscriptions that are being sought is fixed at the date of lodgement of the offer information statement –
  - (i) that amount; and
  - (ii) where applicable, that that amount may be reduced and how and when the relevant entity will inform investors of the final amount of subscriptions sought;
- (b) where the amount of subscriptions that are being sought is not fixed at the date of lodgement of the offer information statement –
  - (i) the range of that amount; and
  - (ii) how and when the relevant entity will inform investors of the final amount of subscriptions sought;
- (c) the nature and denomination of the debentures or units of debentures, as the case may be, being offered;
- (d) where the number of debentures or units of debentures being offered is fixed at the date of lodgement of the offer information statement –
  - (i) that number; and
  - (ii) where applicable, that that number may be reduced, and how and when the relevant entity will inform investors of the final number of debentures or units of the debentures, as the case may be, offered;
- (e) where the number of debentures or units of debentures being offered is not fixed at the date of lodgement of the offer information statement –
  - (i) the range of that number; and
  - (ii) how and when the relevant entity will inform investors of the final number of debentures or units of debentures, as the case may be, offered;
- (f) where the debentures or units of debentures, as the case may be, are offered at a discount or premium, the face value of the debentures or units of debentures being offered and the discount or premium; and
- (g) the currency of the issue and, if the issue is payable in any other currency, that fact.

---

Please refer to the Section titled “**Summary of the Rights Issue**”, paragraphs 1, 2 and 7 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 3 – Offer Statistics and Timetable**”, and paragraphs 1 and 2 of the Section titled “**Disclosure Requirements under the Sixteenth**

**Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing – Offer and Listing Details” of this Offer Information Statement.**

The Issue Price for each Series 2 Convertible Security is payable in Singapore dollars. As soon as practicable after the Closing Date, the Company will publicly announce the results of the allotment of the Series 2 Convertible Securities with Warrants, including the final principal amount of Series 2 Convertible Securities and the final number of Warrants to be issued pursuant to the Rights Issue, via the SGXNET which will be posted on the internet at the SGX-ST's website at <http://www.sgx.com>. The final number of Warrants to be issued pursuant to the Bonus Issue will also be announced.

- 
6. **If the amount of the debentures or units of debentures, as the case may be, being offered can be increased, such as by the exercise of an underwriter's over-allotment option or "greenshoe option", state the exercise period of and amount under that option. To avoid doubt, the amount of subscriptions to be stated under paragraph 5(a) or (b) of this Part and the number of debentures or units of debentures being offered to be stated under paragraph 5(d) or (e) of this Part must not include any amount of debentures or units of debentures being offered that can be increased under such an option.**
- 

Up to S\$147,649,108.10 in aggregate principal amount of Series 2 Convertible Securities, or 113,576,237 Series 2 Convertible Securities, are offered pursuant to the Rights Issue (on the basis of one Series 2 Convertible Security for every seven existing Shares held by Rights Issue Entitled Shareholders as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded). The amount of Series 2 Convertible Securities being offered pursuant to the Rights Issue may not be increased. The actual amount of Series 2 Convertible Securities which are issued pursuant to the Rights Issue may be lower, depending on the level of subscription.

Under Condition 13 of the Terms and Conditions of the Series 2 Convertible Securities, the Company may also from time to time without the consent of the Securityholders create and issue further perpetual securities either having the same terms and conditions as the Series 2 Convertible Securities in all respects, or in all respects except for the issue date, the issue price and/or the first payment of Distributions on them, and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Series 2 Convertible Securities) or upon terms as the Company may determine at the time of their issue.

Please refer to the Section titled "**Summary of the Rights Issue**" of this Offer Information Statement, the Terms and Conditions of the Series 2 Convertible Securities as set out in **Appendix A** to this Offer Information Statement, and paragraph 3 of the Section titled "**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 8 – Additional Information required for Offer of Debentures or Units of Debentures**" of this Offer Information Statement.

## Principal Terms and Conditions

---

7. Provide the following information on the debentures or units of debentures, as the case may be, being offered:
- (a) where the yield is fixed at the date of lodgement of the offer information statement, that yield and a summary of the method by which that yield is calculated;
  - (b) where the yield is not fixed at the date of lodgement of the offer information statement –
    - (i) how and when the relevant entity will inform investors of the final yield; and
    - (ii) a statement that subscriptions from investors (other than any institutional investor, relevant person as defined in section 275(2) of the Act, or person who intends to subscribe for the debentures or units of debentures, as the case may be, at a consideration of at least \$200,000) will be accepted only after the final yield is made known to the investors;
  - (c) where the nominal interest rate is set at the date of lodgement of the offer information statement, the nominal interest rate and –
    - (i) if the nominal interest rate is a floating rate, how the rate is calculated; and
    - (ii) if several or variable interest rates are provided for, the conditions for changes in the rate;
  - (d) where the nominal interest rate is not set at the date of lodgement of the offer information statement –
    - (i) how and when the relevant entity will inform investors of the final nominal interest rate; and
    - (ii) a statement that subscriptions from investors (other than any institutional investor, relevant person as defined in section 275(2) of the Act, or person who intends to subscribe for the debentures or units of debentures, as the case may be, at a consideration of at least \$200,000) will be accepted only after the nominal interest rate is made known to the investors;
  - (e) the issue and redemption prices;
  - (f) the date from which interest accrues, and the interest payment dates;
  - (g) the procedures for, and validity period of, claims for payment of interest and repayment of the principal sum;
  - (h) if the principal sum of, or the interest on, the debentures or units of debentures, as the case may be, is payable in any currency other than the currency of the issue, that fact;
  - (i) where the principal sum of, or the interest on, the debentures or units of debentures, as the case may be, may be paid in more than one currency –
-

- 
- (i) the persons who have the power to determine –**
    - (A) the currency or currencies in which payment is to be made; and**
    - (B) the applicable currency exchange rates; and**
  - (ii) the basis on which each determination in sub-paragraph (i) will be made;**
  - (j) the final repayment date and, where there is any option for early repayment –**
    - (i) that fact;**
    - (ii) whether the option is exercisable at the option of the relevant entity or of the holder of the debentures or units of debentures; and**
    - (iii) the early repayment date;**
  - (k) details of the arrangements for the amortisation or early redemption of the debentures or units of debentures, as the case may be, including procedures to be adopted;**
  - (l) a description of any subordination or seniority of the issue to other debts of the relevant entity already incurred or to be incurred;**
  - (m) where the rights of the holders of the debentures or units of debentures, as the case may be, will be subordinated to other security holders or creditors –**
    - (i) the aggregate amount of outstanding indebtedness that ranks in priority to the debentures or units of debentures being offered, as of the latest practicable date; or**
    - (ii) where there is no limit on the creation of additional indebtedness that ranks in priority to the debentures or units of debentures being offered, that fact;**
  - (n) the rights conferred upon the holders of the debentures or units of debentures, as the case may be, including rights in respect of interest and redemption, and whether these rights may be materially limited or qualified by the rights of any other class of security holders or creditors;**
  - (o) the particulars of any security, including provisions relating to the release or substitution of the security, if applicable, and where the security is in the form of a fixed asset, any requirement for the maintenance of that asset;**
  - (p) the particulars of any significant covenant, including those concerning subsequent issues of other forms, or subsequent series of debentures or units of debentures;**
  - (q) a statement as to whether or not the relevant entity has any right to create any additional charge over any of the assets subject to a charge to secure the repayment of the debentures or units of debentures, as the case may be, being an additional charge that will rank in priority to or equally with the charge to secure the repayment of the debentures or units of debentures, as the case may be, and, if there is any such right, particulars of its nature and extent;**
-

- 
- (r) the nature and scope of any guarantee, surety or commitment intended to ensure that the issue will be duly serviced with regard to both the principal sum of and the interest on the debentures or units of debentures, as the case may be; and the material terms and conditions of any such guarantee, surety or commitment (including all conditions for the application of that guarantee, surety or commitment);
  - (s) any legislation under which the debentures or units of debentures, as the case may be, have been created, and the governing law and the competent courts in the event of litigation;
  - (t) definition of events constituting defaults, the remedies available in the event of default, and the effect (if any) of a default on the acceleration of the maturity of the debentures or units of debentures, as the case may be;
  - (u) information on when holders of the debentures or units of debentures are able to take action to enforce their claims;
  - (v) the procedures and actions to be taken by the relevant entity, guarantor entity, trustee, fiscal agent or any other representative for the debenture holders (as the case may be) in the event of a default or potential event of default, including –
    - (i) the communication plans with debenture holders;
    - (ii) whether any meeting of debenture holders will be convened by the relevant entity, guarantor entity, trustee, fiscal agent or other representative for the debenture holders;
    - (iii) whether the trustee, fiscal agent or any other representative for the debenture holders is bound to take steps to ascertain whether there is an event of default or a potential event of default; and
    - (iv) the conditions to be fulfilled in order for the trustee or other representative for the debenture holders to take action on behalf of those debenture holders or at the request of those debenture holders, including any threshold of approval or instruction and any pre-funding or indemnification requirement;
  - (w) provisions setting out how the terms and conditions of the debentures or units of debentures, as the case may be, or the rights of the holders of the debentures or units of debentures, may be modified;
  - (x) the consequences of any failure to make payments that does not constitute an event of default, and the remedies available (under the terms of the debentures or units of debentures, as the case may be, or the applicable law) for any such failure.
- 

Please refer to the Sections titled “**Summary of the Rights Issue**” and “**Risk Factors – Risks Associated with the Series 2 Convertible Securities**” of this Offer Information Statement, the Terms and Conditions of the Series 2 Convertible Securities as set out in **Appendix A** to this Offer Information Statement and paragraph 3 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 8 – Additional Information required for Offer of Debentures or Units of Debentures**” of this Offer Information Statement.

## Yield

The yield on the Series 2 Convertible Securities when issued would be the rate of return on the Series 2 Convertible Securities measured as the ratio of the Distribution payable per Series 2 Convertible Security to its Issue Price and expressed as a percentage per annum.

## Ranking and Status

Based on the current structure of the share capital of the Company, which consists of one class of shares (namely, the Shares) only, the Series 2 Convertible Securities are junior in priority of repayment to all indebtedness (save for the Series 1 Convertible Securities to which they rank *pari passu*) and senior in priority of repayment only to Shares. There is no limit on the creation of additional indebtedness that rank in priority to the Series 2 Convertible Securities.

Under Condition 13 of the Terms and Conditions of the Series 2 Convertible Securities, the Company may also from time to time without the consent of the Securityholders create and issue further perpetual securities either having the same terms and conditions as the Series 2 Convertible Securities in all respects, or in all respects except for the issue date, the issue price and/or the first payment of Distributions on them, and so that such further issue shall be consolidated and form a single series with the outstanding perpetual securities of any series (including the Series 2 Convertible Securities) or upon terms as the Issuer may determine at the time of their issue.

The Series 2 Convertible Securities constitute unsecured obligations of the Company. Accordingly, there are no assets of the Company which are subject to a charge to secure the payment of Distributions or redemption of the Series 2 Convertible Securities.

Please refer to Condition 3 of the Terms and Conditions of the Series 2 Convertible Securities and the Sections titled “**Risk Factors – Risks Associated with the Series 2 Convertible Securities – The Company’s obligations under the Series 2 Convertible Securities are subordinated**” and “**Risk Factors – Risks Associated with the Series 2 Convertible Securities – The Series 2 Convertible Securities are structurally subordinated to any and all existing and future liabilities and obligations of the Company’s subsidiaries, associated companies and joint ventures**” of this Offer Information Statement with regards to the subordination of the Series 2 Convertible Securities.

## Distribution and Redemption

Please refer to Conditions 4, 5 and 6 of the Terms and Conditions of the Series 2 Convertible Securities with regards to the rights in respect of Distributions and conversion conferred upon the Securityholders and the redemption options under the Series 2 Convertible Securities. Please also refer to the Section titled “**Risk Factors – Risks Associated with the Series 2 Convertible Securities**” of this Offer Information Statement, and in particular (but not limited to) the Sections titled “**The Series 2 Convertible Securities are perpetual convertible securities and investors have no right to require redemption**”, “**Securityholders may not receive Distribution payments if the Company elects to defer Distribution payments under the Terms and Conditions of the Series 2 Convertible Securities**” and “**There are limited remedies for non-payment under the Terms and Conditions of the Series 2 Convertible Securities**” of this Offer Information Statement.

Please refer to Condition 4.2 of the Terms and Conditions of the Series 2 Convertible Securities and the Sections titled **“Risk Factors – Risks Associated with the Series 2 Convertible Securities – Securityholders may not receive Distribution payments if the Company elects to defer Distribution payments under the Terms and Conditions of the Series 2 Convertible Securities”** and **“Risk Factors – Risks Associated with the Series 2 Convertible Securities – There are limited remedies for non-payment under the Terms and Conditions of the Series 2 Convertible Securities”** of this Offer Information Statement with regard to the right of the Company to optionally defer any Distribution. The failure by the Company to pay such deferred Distribution, in whole or in part, shall not constitute a default of the Company in respect of the Series 2 Convertible Securities.

### **Enforcement Events**

Please refer to Condition 10 of the Terms and Conditions of the Series 2 Convertible Securities with regard to the Enforcement Events of the Series 2 Convertible Securities, the remedies available to Securityholders in such events and information on when Securityholders are able to take action to enforce their claims. Please also refer to the Section titled **“Risk Factors – Risks Associated with the Series 2 Convertible Securities – There are limited remedies for non-payment under the Terms and Conditions of the Series 2 Convertible Securities”** of this Offer Information Statement.

The Trust Deed will provide for the Trustee to take action on behalf of the Securityholders in certain circumstances, subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction. In particular, subject to the terms of the Trust Deed and Condition 10 of the Terms and Conditions of the Series 2 Convertible Securities, the Trustee may, without further notice to the Company institute such proceedings against the Company as it may think fit to enforce any term or condition binding on the Company under the Series 2 Convertible Securities or the Trust Deed including delivery of Conversion Shares upon exercise of Conversion Rights (other than any payment obligation of the Company under or arising from the Series 2 Convertible Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution) in respect of the Series 2 Convertible Securities and any damages awarded for breach of any obligations) and in no event shall the Company, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it. The Trustee shall not be bound to take any steps (including, without limitation, giving notice that the Series 2 Convertible Securities are due and repayable in accordance with Condition 10 of the Terms and Conditions of the Series 2 Convertible Securities) to enforce the performance by the Company of any of the provisions of the Issue Documents (as defined in the Trust Deed) or of the Series 2 Convertible Securities unless (i) it shall have been so requested in writing by the Securityholders of not less than 25 per cent. in principal amount of the Series 2 Convertible Securities outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all actions, proceedings, claims, demands and liabilities to which it may thereby become liable and all costs, charges, damages and expenses which may be incurred by it in connection therewith.

The Trust Deed will also provide that the Trustee shall not be bound to make any enquiry or to take any steps to ascertain whether any Enforcement Event (as defined in the Trust Deed) has occurred and, until it shall have actual knowledge or shall have express notice to the contrary, the Trustee shall be entitled to assume without enquiry



(it being the intention that it should assume without enquiry), and shall not be liable for assuming that no such event has happened and that the Company and its subsidiaries is performing all its obligations under the Issue Documents and under the Series 2 Convertible Securities. In particular, the Trustee shall not be required to monitor the financial performance of the Company.

### **Communication with Securityholders**

Notices to Securityholders will be valid if either (a) for so long as the Securities are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST at <http://www.sgx.com> or (b) published in a leading English language newspaper having general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made. Notwithstanding the other provisions of Condition 15 of the Terms and Conditions of the Series 2 Convertible Securities, in any case where the identity and addresses of all the Securityholders are known to the Company, notices to such Securityholders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

In the event of an Enforcement Event, the Company is to make an immediate announcement on SGXNET in accordance with the Listing Manual. In addition, the Company will covenant with the Trustee in the Trust Deed that if an Enforcement Event occurs and upon request by the Trustee, the Company will forthwith give notice to the Securityholders of the occurrence of the Enforcement Event or convene a meeting of the Securityholders for the purposes of taking instructions from the Securityholders on whether to institute proceedings for the winding-up of the Company and/or prove in the winding-up of the Company and/or claim in the liquidation of the Company for payment in respect of the Series 2 Convertible Securities.

### **Prescription Period**

Claims against the Company for payment in respect of the Series 2 Convertible Securities shall be prescribed and become void unless made within three years from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Series 2 Convertible Securities) for payment.

### **Modifications**

Please refer to Condition 11 of the Terms and Conditions of the Series 2 Convertible Securities and the Section titled “**Risk Factors – Risks Associated with the Series 2 Convertible Securities – Modification and waivers**” of this Offer Information Statement for information regarding modification of the Trust Deed and Terms and Conditions of the Series 2 Convertible Securities.

## **Credit Rating**

---

8. **If the relevant entity, its guarantor entity or the debentures or units of debentures being offered have been given a credit rating by a credit rating agency, disclose –**
- (a) the name of the credit rating agency;**
  - (b) the credit rating (including whether it is a short-term or long-term credit rating);**

- (c) whether any fee or benefit of any kind has been paid by the relevant entity, its guarantor entity or any of their related parties to the credit rating agency, in consideration for the credit rating assessment; and
  - (d) the date on which the credit rating was given.
- 

Not applicable.

---

**9. If a credit rating is disclosed under paragraph 8 of this Part, provide the following information:**

- (a) a statement whether the credit rating is current as of the date of lodgement of the offer information statement;
- (b) a statement that the credit rating is not a recommendation to invest in the debentures or units of debentures, as the case may be, and that investors should perform their own evaluation as to whether the investment is appropriate;
- (c) a statement that the credit rating may be revised or withdrawn at any time;
- (d) a statement that the credit rating is a statement of opinion;
- (e) a statement stating the specific publicly available sources where the following information can be obtained:
  - (i) the rating methodology used by the credit rating agency;
  - (ii) the relative ranking of the credit rating;
  - (iii) an explanation of the meaning and limitations of the credit rating;
  - (iv) if the credit rating is a “preliminary”, “provisional” or “expected” rating, the status of that designation and its implications on the relevant entity or the debentures or units of debentures being offered or, in the case of a guaranteed debenture issue, its implications on the relevant entity, its guarantor entity or the debentures or units of debentures being offered;
- (f) if the credit rating is a “preliminary”, “provisional” or “expected” rating, a statement undertaking to announce the final rating when it is available;
- (g) if the credit rating is below BBB by Fitch Ratings, Baa by Moody’s Investors Service, BBB by Standard and Poor’s Ratings Services, or an equivalent rating by any other credit rating agency, provide the following statement:

“This rating is a non-investment grade credit rating.”

---

Not applicable.

- 
- 10. If all of the relevant entity, its guarantor entity, and the debentures or units of debentures (as the case may be) being offered have not been given a credit rating by a credit rating agency, state that fact, and provide a statement that not having a credit rating means that no independent assessment by a credit rating agency of the default risk of the relevant entity, its guarantor entity, and the debentures or units of debentures (as the case may be) being offered has been made.**
- 

The Company and the Series 2 Convertible Securities are not rated by any credit rating agency. Accordingly, no independent assessment by a credit rating agency of the default risk of the Company and the Series 2 Convertible Securities has been made.

#### **Secured Debentures**

---

- 11. Provide, in relation to an offer of secured debentures or certificates of debenture stock, a summary by the auditors of the relevant entity showing, in tabular form –**
- (a) the aggregate value of the tangible assets owned by the relevant entity;**
  - (b) the aggregate value of the tangible assets owned by each, or jointly owned by 2 or more, of its guarantor entities; and**
  - (c) the aggregate value of the tangible assets jointly owned by the relevant entity and one or more of its guarantor entities,**

**which have been charged to secure the repayment of all or any monies payable in respect of the secured debentures or certificates of debenture stock, including an explanation of any adjustment made for the purpose of providing a true and fair view of those assets.**

---

Not applicable.

---

- 12. Show also, in the summary –**
- (a) the amounts outstanding of the aggregate amounts borrowed by the relevant entity and by each of its guarantor entities, distinguishing between those amounts outstanding which will rank for repayment in priority to the amount under the proposed issue and those amounts outstanding which will rank for repayment equally with the amount under the proposed issue;**
  - (b) where any charge is for a liability the amount of which may vary from time to time, the actual amount of the liability as at the date on which the summary is made and any further amount which may be advanced under that charge; and**
  - (c) the aggregate amount of advances by the relevant entity to related corporations or related entities of the relevant entity, distinguishing between advances which are secured and advances which are unsecured.**
- 

Not applicable.

- 
- 13. The auditors of the relevant entity may explain or qualify, by way of notes or otherwise, any of the matters set out in the summary.**
- 

Not applicable.

---

- 14. Where the tangible assets mentioned in paragraph 11 of this Part are in the form of property, provide information on a report of the valuation of the interest of the relevant entity and each of its guarantor entities in each property charged, showing the nature and extent of the interest of the relevant entity and of each of its guarantor entities, such report to be made not more than 6 months before the date of lodgement of the offer information statement by an independent qualified valuer.**
- 

Not applicable.

---

#### **Documents for Inspection**

---

- 15. Provide a statement that, for a period of at least 6 months after the date of lodgement of the offer information statement, the trust deed, fiscal agency agreement or any other document constituting the debentures or units of debentures (or a copy of the trust deed, fiscal agency agreement or other document) and in the case of a guaranteed debenture issue, the guarantee and other related documents (or a copy of the guarantee and related documents), may be inspected by any person at a specified place in Singapore.**
- 

For at least six months after the date of lodgement of this Offer Information Statement and for so long as any of the Series 2 Convertible Securities remains outstanding, copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and the Depository Agreement will be available for inspection at the principal office of the Trustee and the specified offices of the Paying Agent from the date of the issue of the Series 2 Convertible Securities in accordance with the Terms and Conditions of the Series 2 Convertible Securities.

## PART 9 – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

### Information on Convertible Debentures

---

1. Provide information concerning the nature of the securities, securities-based derivatives contracts, equity interests or property offered by way of conversion, exchange, subscription or purchase and the rights attached to the securities, securities-based derivatives contracts, equity interests or property including, in particular, the voting rights, entitlement to share in profits and, in the event of liquidation, any surplus and any other special rights.
- 

Please refer to the Sections titled “**Summary of the Rights Issue**”, “**Risk Factors**” and in particular, the sub-section titled “**Securityholders will have no rights as Shareholders until they acquire Conversion Shares upon the conversion of the Series 2 Convertible Securities, and may suffer dilution in their investment in the Series 2 Convertible Securities. In addition, upon the exercise of their Conversion Rights, Securityholders will have any Arrears of Distribution extinguished**” and paragraphs 1 and 2 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing**” of this Offer Information Statement as well as the Terms and Conditions of the Series 2 Convertible Securities set out in **Appendix A** to this Offer Information Statement.

---

2. Provide information on the terms, conditions and procedures for conversion, exchange, subscription or purchase and details of the circumstances under which they may be amended, including the following information:
    - (a) the total number or value of securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase;
    - (b) the period during which the conversion, exchange, subscription or purchase right may be exercised and the date on which this right commences;
    - (c) the amount payable on the exercise of the conversion, exchange, subscription or purchase right;
    - (d) any arrangement for the transfer or transmission of the conversion, exchange, subscription or purchase right;
    - (e) the rights of the holders of the debentures or units of debentures in respect of the conversion, exchange, subscription or purchase right on the liquidation of the entity the securities, securities-based derivatives contracts, equity interests or property of which is the subject of the conversion, exchange, subscription or purchase;
-

- 
- (f) any arrangement for the variation in the subscription price of the securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, or in the exercise price of the convertible debentures, or in the number or value of securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, in the event of any alteration in the capital of the entity the securities, securities-based derivatives contracts, equity interests or property of which is the subject of the conversion, exchange, subscription or purchase; and
- (g) if there is no established market for the securities, securities-based derivatives contracts, equity interests or property which is the subject of the conversion, exchange, subscription or purchase, the manner of determining the subscription or exercise or conversion price, including who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.
- 

Please refer to the Section titled “**Summary of the Rights Issue**” and paragraphs 1 and 2 of the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 6 – The Offer and Listing**”, of this Offer Information Statement, and the Terms and Conditions of the Series 2 Convertible Securities set out in **Appendix A** to this Offer Information Statement. Please also refer to the Section titled “**Trading**” of this Offer Information Statement. For the avoidance of doubt, no further cash outlay will be required from Securityholders for the conversion of the Series 2 Convertible Securities into Conversion Shares.

Securityholders will have the right to convert their Series 2 Convertible Securities into Conversion Shares at the Conversion Price, credited as fully paid, at any time on or after the 41st day (expected to be 11 July 2019) after the Issue Date, subject to the Terms and Conditions of the Series 2 Convertible Securities.

If a final and effective order is made or an effective resolution is passed for the bankruptcy, winding-up, liquidation, receivership or similar proceedings of the Company, the Company shall, pursuant to Condition 10.2 of the Terms and Conditions of the Series 2 Convertible Securities, be deemed to be in default under the Trust Deed and the Series 2 Convertible Securities and the Trustee may, subject to the Terms and Conditions of the Series 2 Convertible Securities, institute proceedings for the winding-up of the Company and/or prove in the winding-up of the Company and/or claim in the liquidation of the Company for such payment.

**PART 10 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR  
SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE**

---

**1. Provide –**

**(a) the particulars of the rights issue;**

---

Please refer to the Section titled “**Summary of the Rights Issue**” of this Offer Information Statement for particulars of the Rights Issue.

---

**(b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

---

17 May 2019 at 5.00 p.m.

Please refer to the Section titled “**Indicative Timetable**” of this Offer Information Statement for more details.

---

**(c) the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

---

24 May 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks).

Please refer to the Section titled “**Indicative Timetable**” of this Offer Information Statement for more details.

---

**(d) the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

---

24 May 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks).

Rights Issue Entitled Depositors who wish to renounce their provisional allotments of Series 2 Convertible Securities with Warrants in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Rights Issue Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his provisional allotments of Series 2 Convertible Securities with Warrants.

Rights Issue Entitled Scripholders who wish to accept only part and renounce the balance of their provisional allotments of Series 2 Convertible Securities with Warrants, or who wish to renounce all or part of their provisional allotments of Series 2 Convertible Securities with Warrants in favour of more than one person, should first, using the Request for Splitting (Form B) as provided in the PAL to be received by Rights Issue Entitled Scripholders, request to have their provisional allotments of Series 2 Convertible Securities with Warrants under the PAL split into separate PALs according to their requirements. The duly completed and signed Form B, together with the PAL in its entirety, should then be returned by post as soon as possible and in any case to reach the Share Registrar not later than **5.00 p.m. on 17 May 2019**.

- 
- (e) **the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**
- 

The Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, in particular, **Appendices G to I** to this Offer Information Statement and (where applicable) in the ARE, the ARS and the PAL.

---

- (f) **the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**
- 

In addition to the Undertakings to Convert as set out in the Section titled “**Series 1 Convertible Securities**” of this Offer Information Statement, the Deeds of Undertaking executed by each of FSCL, M&C UK, TTAPL and CDTF included additional undertakings in relation to the Rights Issue (the “**Rights Issue Undertakings**”).

The Rights Issue Undertakings are based on the number of Shares held by FSCL, RHRL, MCHIL, TTAPL and CDTF following the conversion of the Relevant Series 1 Convertible Securities, namely:

- (a) for FSCL, 286,764,270 Shares (the “**Relevant FSCL Shares**”);
- (b) for RHRL, 253,614,321 Shares (the “**Relevant RHRL Shares**”);
- (c) for MCHIL, 31,852,326 Shares (the “**Relevant MCHIL Shares**” and, together with the Relevant RHRL Shares, the “**Relevant M&C Shares**”);
- (d) for TTAPL, 65,173,697 Shares (the “**Relevant TTAPL Shares**”); and
- (e) for CDTF, 6,169,770 Shares (the “**Relevant CDTF Shares**”).

M&C UK has undertaken to the Company (the “**M&C UK Undertaking**”), *inter alia*, that:

- (a) as at the Rights Issue Books Closure Date, M&C UK will, through its wholly-owned subsidiaries, RHRL and MCHIL, be the registered holder of the Relevant M&C Shares; and
- (b) it will, in accordance with the terms and conditions of the Rights Issue, and in any case not later than the Closing Date, procure that RHRL and MCHIL accept, subscribe and pay in full for their respective *pro rata* provisional allotments of the Series 2 Convertible Securities under the Rights Issue arising from the Relevant RHRL Shares and as the case may be, the Relevant MCHIL Shares.

FSCL has undertaken in favour of the Company and TTAPL (the “**FSCL Undertaking**”), which holds 32.5 per cent. of the ordinary shares of US\$1.00 each in FSCL, *inter alia*, that:

- (a) as at the Rights Issue Books Closure Date, it and/or its nominee(s) will be the registered holder(s) of the Relevant FSCL Shares; and
- (b) in accordance with the terms and conditions of the Rights Issue, and in any case not later than the Closing Date, it will and/or will procure that its nominee(s) will renounce in TTAPL’s favour its and/or its nominee(s)’ *pro rata* provisional allotments of the Series 2 Convertible Securities under the Rights Issue arising from the Relevant FSCL Shares.



TTAPL has undertaken in favour of the Company and FSCL (the “**TTAPL Undertaking**”) that, *inter alia*:

- (a) as at the Rights Issue Books Closure Date, it and/or its nominee(s) will be the registered holder(s) of the Relevant TTAPL Shares; and
- (b) in accordance with the terms and conditions of the Rights Issue and, in any case not later than the Closing Date it will (and/or will procure that its nominee(s) will) accept, subscribe and pay in full for: (i) its and/or its nominee(s)’ *pro rata* provisional allotments of the Series 2 Convertible Securities with Warrants under the Rights Issue arising from the Relevant TTAPL Shares; and (ii) the *pro rata* provisional allotments of the Series 2 Convertible Securities with Warrants of FSCL and/or its nominee(s) under the Rights Issue which FSCL and/or its nominee(s) has undertaken to renounce in its favour.

CDTF has undertaken to the Company (the “**CDTF Undertaking**”), *inter alia*, that:

- (a) as at the Rights Issue Books Closure Date, it and/or its nominee(s) will be the registered holder(s) of the Relevant CDTF Shares; and
- (b) in accordance with the terms and conditions of the Rights Issue, and in any case not later than the Closing Date, it will (and/or will procure that its nominee(s) will) accept, subscribe and pay in full for its and/or its nominee(s)’ *pro rata* provisional allotments of the Series 2 Convertible Securities with Warrants under the Rights Issue arising from the Relevant CDTF Shares.

Each of the Rights Issue Undertakings is conditional upon the following:

- (a) the AIP having been obtained and not having been withdrawn; and
- (b) the lodgement of the Offer Information Statement, together with all other accompanying documents, with the Authority.

---

**(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**

---

No underwriting commitment has been arranged with any financial institution for the Rights Issue. To incentivise Shareholders to subscribe for the Series 2 Convertible Securities, the Company will issue one Warrant for each Series 2 Convertible Security validly subscribed for under the Rights Issue. In addition, the Company believes that there is no minimum amount which must be raised from the Rights Issue. In view of the above, the Rights Issue Undertakings and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

**PART 11 – ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION  
STATEMENT FOR PURPOSES OF SECTION 277(1AC)(a)(I) OF THE SFA**

---

- 1. An offer information statement for the purposes of section 277(1AC)(a)(i) of the Act must contain information in respect of both the subsidiary mentioned in section 277(1AB) of the Act and the listed entity mentioned in section 277(1AB) of the Act, in respect of the information required under the following provisions of this Schedule:**
- (a) paragraph 1(c) of Part 1;**
  - (b) paragraph 1 of Part 2;**
  - (c) paragraphs 5, 6 and 8 of Part 4;**
  - (d) paragraphs 1 to 16 of Part 5;**
  - (e) paragraph 5 of Part 7;**
  - (f) paragraphs 4 and 8 to 14 of Part 8.**
- 

Not applicable.

---

- 2. For the purposes of paragraph 1 of this Part, a reference in a provision of this Schedule mentioned in paragraph 1 to the relevant entity is a reference to both the subsidiary mentioned in section 277(1AB) of the Act and the listed entity mentioned in section 277(1AB) of the Act.**
- 

Not applicable.

## ADDITIONAL DISCLOSURE REQUIREMENTS UNDER APPENDIX 8.2 OF THE LISTING MANUAL

For the purposes of this Section, “Group” refers to the Company and its subsidiaries.

**(1) A review of the working capital for the last three financial years and the latest half year, if applicable.**

The summary of the working capital of the Group for the last three financial years ended 31 December 2016, 2017 and 2018 and the three-month period ended 31 March 2019 is set out below.

	← Audited →			Unaudited
	As at 31 December 2016 S\$'000	As at 31 December 2017 S\$'000	As at 31 December 2018 S\$'000	As at 31 March 2019 S\$'000
<b>Current assets</b>	1,072,723	1,194,574	1,079,575	1,134,789
<b>Current liabilities</b>	410,052	379,831	390,200	479,332
<b>Net current assets</b>	662,671	814,743	689,375	655,457

The Group had positive working capital as at the end of the last three financial years ended 31 December 2016, 2017 and 2018 and the three-month period ended 31 March 2019.

### **As at 31 March 2019 compared with 31 December 2018**

#### **Current assets**

Current assets increased by S\$55.2 million or 5.1 per cent. from S\$1,079.6 million as at 31 December 2018 to S\$1,134.8 million as at 31 March 2019. The increase was due mainly to the increase of assets held-for-sale of S\$36.4 million arising from the reclassification of the two Utrecht hotels located within the shopping mall of Hoog Catharijne to assets held-for-sale from non-current assets in the current quarter. In February 2019, the Borealis Group transferred the hotel operations to a subsidiary of the Group and accordingly, the PDA and the Lease Agreement entered into by the Group with Borealis Group for the two hotels were terminated. The development of the two hotels is expected to be completed within 2019. The Group intends to explore the sale of its shareholding in the two subsidiaries that own and operate the hotels respectively, to its 33.0 per cent.-owned associate, FSMC in due course.

#### **Current liabilities**

Current liabilities increased by S\$89.1 million or 22.8 per cent. from S\$390.2 million as at 31 December 2018 to S\$479.3 million as at 31 March 2019. The increase was due mainly to the increase in trade and other payables of S\$70.6 million arising from additional advances from a PRC associated company of S\$57.3 million (RMB284.6 million). This increase was partially offset by the payment of construction costs for the Millennium Waterfront during the year.

## **As at 31 December 2018 compared with 31 December 2017**

### **Current assets**

Current assets decreased by S\$115.0 million or 9.6 per cent. from S\$1,194.6 million as at 31 December 2017 to S\$1,079.6 million as at 31 December 2018. The decrease was due mainly to the decrease in cash and cash equivalent of S\$193.6 million arising from the net disbursement of loans to associated companies and joint ventures in the PRC, and third party PRC property financing loans, which are classified as non-current assets.

This decrease was partially offset by assets held-for-sale of S\$51.6 million as at 31 December 2018 relating to the Chengdu Cityspring Property re-classified from current and non-current assets pursuant to the Group entering into a sale and purchase agreement in May 2018 as supplemented by four supplemental agreements entered in July 2018, September 2018, November 2018 and January 2019 to dispose of the aforementioned assets, as well as another 144 car park lots classified as part of development properties. The sale is to be completed in tranches, with the last tranche expected to be completed in May 2019.

### **Current liabilities**

Current liabilities increased by S\$10.4 million or 2.7 per cent. from S\$379.8 million as at 31 December 2017 to S\$390.2 million as at 31 December 2018. The increase was due to the reclassification of certain loans and borrowings amounting to S\$45.3 million, from non-current liabilities to current liabilities. This was offset by the payment of construction costs for the Millennium Waterfront during the year.

## **As at 31 December 2017 compared with 31 December 2016**

### **Current assets**

Current assets increased by S\$121.9 million or 11.4 per cent. from S\$1,072.7 million as at 31 December 2016 to S\$1,194.6 million as at 31 December 2017. The increase was due mainly to additional secured PRC property financing loans and net loans to East Sun granted during the year, as well as new loans disbursed to the FSMC group arising from the acquisition of the Initial Bilderberg Portfolio. The increase was partially offset by the partial recovery of certain defaulted loan amounts in respect of the loan principals in Case 2 during the year. The full settlement of loans from the Chengdu Wenjiang government, receipt of deferred consideration in respect of the Group's dilution of interests in the Star of East River Project in Dongguan and the receipt of investment principal and returns from a PRC government linked entity also partially offset the increase in receivables.

### **Current liabilities**

Current liabilities decreased by S\$30.2 million or 7.4 per cent., from S\$410.1 million as at 31 December 2016 to S\$379.8 million as at 31 December 2017, due mainly to the payment of construction costs for the Millennium Waterfront during the year. The decrease was partially offset by an increase in current tax payable.

---

**2(i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832;**

---

The information required in Rule 832(1) to (9) of the Listing Manual has been set out in the Sections titled “**Risk Factors**”, “**Summary of the Rights Issue**”, “**Summary of the Bonus Issue**”, “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 4 – Key Information**”, the Terms and Conditions of the Series 2 Convertible Securities and the Terms and Conditions of the Warrants as set out in **Appendices A** and **B**, respectively, to this Offer Information Statement.

The financial effects of the Rights Issue and the Bonus Issue as presented herein:

- (a) are for illustrative purposes only and are not an indication or a projection of the actual future financial performance or financial position of the Group after the completion of the Rights Issue and the Bonus Issue;
- (b) are based on the audited consolidated financial statements of the Group for FY2016, FY2017 and FY2018 and the unaudited consolidated financial statements of the Group for 1Q2018 and 1Q2019 (as the case may be);
- (c) in respect of “Issued Share Capital and Share Premium”, “Net Assets” and “Gearing”, assume that 147,234,050 and 142,469,674 new Shares are issued pursuant to the conversion of 147,234,050 and 142,469,674 Series 1 Convertible Securities outstanding as at 31 December 2018 and 31 March 2019 (as the case may be) at the conversion price of S\$1.10;
- (d) in respect of “Earnings per Share” assume that (i) the 2018 Bonus Issue and the 2018 Rights Issue were completed, (ii) all the Series 1 Convertible Securities issued pursuant to the 2018 Rights Issue were converted into Shares at the conversion price of S\$1.10, (iii) the Rights Issue and the Bonus Issue were completed, (iv) all the Series 2 Convertible Securities were converted into Conversion Shares at the Conversion Price and all the Warrants were exercised into Warrant Exercise Shares at the Exercise Price, at the beginning of FY2016, FY2017, FY2018, 1Q2018 and 1Q2019 (as the case may be);
- (e) assume the maximum S\$147,649,108.10 in principal amount of Series 2 Convertible Securities and the maximum of 193,079,603 Warrants are issued pursuant to the Rights Issue and the Bonus Issue;
- (f) assume the issue of 113,576,237 Conversion Shares pursuant to the full conversion of the Series 2 Convertible Securities at the Conversion Price;
- (g) assume the Conversion Price will be S\$1.30 with no adjustments;
- (h) assume the issue of 193,079,603 Warrant Exercise Shares pursuant to the full exercise of the Warrants;
- (i) assume that there is no adjustment to the number of Warrants which would require additional Warrants and Warrant Exercise Shares to be issued;
- (j) assume the Exercise Price will be S\$1.30 with no adjustments; and
- (k) assume that there is no return earned from the Total Proceeds and no payment of Distributions on the Series 2 Convertible Securities.

**(A) Issued Share Capital and Share Premium**

It should be noted that the issue of the Series 2 Convertible Securities and the Warrants will not have an immediate effect on the issued share capital of the Company until the Series 2 Convertible Securities are converted into Conversion Shares and/or the Warrants are exercised for Warrant Exercise Shares (as the case may be). The effect of the conversion of the Series 2 Convertible Securities and the exercise of the Warrants on the issued share capital of the Company as at 31 December 2018 and as at 31 March 2019 is expected to be as follows:

	<b>No. of Shares</b>	<b>Issued Share Capital (S\$'000)<sup>(1)</sup></b>	<b>Share Premium (S\$'000)<sup>(1)</sup></b>
As at 31 December 2018	649,015,668	81,405	9,821
Add: new Shares issued assuming conversion of all the outstanding Series 1 Convertible Securities as at 31 December 2018	147,234,050	19,963	141,322
Add: new Shares issued assuming conversion of all the Series 2 Convertible Securities and exercise of all the Warrants	306,655,840	41,721	355,632
Adjusted as at 31 December 2018	1,102,905,558	143,089	506,775
As at 31 March 2019	653,780,044	82,048	14,395
Add: new Shares issued assuming conversion of all the outstanding Series 1 Convertible Securities as at 31 March 2019	142,469,674	19,320	136,748
Add: new Shares issued assuming conversion of all the Series 2 Convertible Securities and exercise of all the Warrants	306,655,840	41,721	355,632
Adjusted as at 31 March 2019	1,102,905,558	143,089	506,775

**Note:**

- (1) The share capital of the Company comprising ordinary shares of par value US\$0.10 each has been translated at the exchange rate of US\$1.00: S\$1.3605 (as quoted by Bloomberg L.P. on the Latest Practicable Date). The share premium arising from the conversion of the Series 2 Convertible Securities into Conversion Shares and the exercise of the Warrants into Warrant Exercise Shares amounting to approximately S\$355.6 million is to be recorded as share premium.

The Company has included the exchange rate quoted above in its proper form and context in this Offer Information Statement. Bloomberg L.P. has not provided its consent, for purpose of Section 249 of the SFA, to the inclusion of the exchange rate quoted above and is therefore not liable for such information under Sections 253 and 254 of the SFA. While the Directors and the Manager of the Rights Issue have taken reasonable actions to ensure that the above exchange rate has been reproduced in its proper form and context, neither the Directors, the Manager of the Rights Issue nor any other party has conducted an independent review of this information or verified the accuracy of the contents of the relevant information.

**(B) Net Assets**

Please refer to paragraph 10 in the Section titled “**Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 – Part 5 – Operating and Financial Review and Prospects**” of this Offer Information Statement for details.

**(C) Gearing**

Gearing is computed based on the ratio of total net borrowings to shareholders' equity as at 31 December 2018 and as at 31 March 2019, respectively.

	<b>As at 31 December 2018</b>	<b>As at 31 March 2019</b>
Group borrowings <sup>(1)</sup> (S\$'000)	695,719	804,327
(Less):		
(i) Cash and cash equivalents (S\$'000)	(125,711)	(106,502)
(ii) Financial assets <sup>(2)</sup> (S\$'000)	(39,262)	(219,702)
Total net borrowings before the Rights Issue and the Bonus Issue (S\$'000)	530,746	478,123
Total equity (S\$'000)	1,323,494	1,355,241
Gearing before the Rights Issue and the Bonus Issue (times)	0.40	0.35
Total net borrowings after the Rights Issue and the Bonus Issue (S\$'000)	530,746	478,123
Total equity after the Rights Issue and the Bonus Issue <sup>(3)</sup> (S\$'000)	1,720,847	1,752,593
Gearing after the Rights Issue and the Bonus Issue (times)	0.31	0.27

**Notes:**

- (1) Unamortised balance of transaction costs have not been deducted from the Group's borrowings.
- (2) Financial assets relate to principal-guaranteed structured deposits placed with financial institutions.
- (3) As adjusted for the Total Proceeds of approximately S\$397.3 million from the Rights Issue and the Bonus Issue.

**(D) Earnings per Share**

The Rights Issue and the Bonus Issue are expected to have a dilutive effect on the EPS in view of the enlarged issued share capital of the Company upon the issue of the Conversion Shares arising from the conversion of the Series 2 Convertible Securities and Warrant Exercise Shares arising from the exercise of the Warrants.

Assuming no adjustments are made to the Conversion Price, number of Warrants and/or Exercise Price, the dilutive effects of the conversion of the Series 2 Convertible Securities and the exercise of the Warrants on the EPS of the Group for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019 are as follows:

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>1Q2018</u>	<u>1Q2019</u>
Net profit attributable to equity holders of the Company (S\$'000)	113,089	88,283	113,008	17,122	23,804
EPS before the Rights Issue and the Bonus Issue <sup>(1)</sup> (cents)	17.43	13.61	16.72	2.64	3.43
EPS after the Rights Issue and the Bonus Issue (cents)	10.25	8.01	10.26	1.55	2.16

**Note:**

- (1) The EPS before the Rights Issue and the Bonus Issue is calculated based on the weighted average number of 648,795,981 Shares, 648,795,981 Shares, 648,717,196 Shares, 648,795,981 Shares and 649,487,766 Shares, for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019, respectively. The weighted average number of Shares for FY2018 and 1Q2019 excludes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company, since August 2018 which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with *IAS 32 Financial Instruments: Presentation*.

---

**2(ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

---

Not applicable to the Rights Issue as it is not underwritten, and the Conversion Price of the Series 2 Convertible Securities and the Exercise Price of the Warrants have been fixed and are not based on a price-fixing formula. The Conversion Price is subject to adjustments under certain circumstances in accordance with the Terms and Conditions of the Series 2 Convertible Securities. The Exercise Price is subject to adjustments under certain circumstances in accordance with the Terms and Conditions of the Warrants.

No further cash is required from the Securityholders for the conversion of Series 2 Convertible Securities into Conversion Shares.



---

**(2)(iii) A responsibility statement by the financial adviser stating that, to the best of the financial adviser’s knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and the financial adviser is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, it is satisfied that the profit forecast has been stated by the directors after due and careful enquiry.**

---

As provided in Appendix 8.2 to the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

## TERMS AND CONDITIONS OF THE SERIES 2 CONVERTIBLE SECURITIES

*The following, subject to amendment and save for (i) the paragraphs in italics and (ii) the aggregate principal amount of the Securities (of which (ii) will be provided at the time of entry of the Trust Deed), are the Terms and Conditions of the Series 2 Convertible Securities, substantially as they will appear on the reverse of each of the definitive security certificates evidencing the Series 2 Convertible Securities (if issued):*

The issue of S\$[final principal amount of the Securities] in aggregate principal amount of 3.98 per cent. perpetual convertible capital securities (the “**Securities**”, which term shall include any Further Securities (as defined below)) was authorised by resolutions of the Board of Directors of First Sponsor Group Limited (the “**Issuer**”) passed on 25 March 2019.

The Securities are constituted by a Trust Deed (as amended, restated or supplemented from time to time, the “**Trust Deed**”) dated 31 May 2019 made between (1) the Issuer and (2) Perpetual (Asia) Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being acting as the trustee or trustees under the Trust Deed), as trustee for the Securityholders (as defined below). The Securities are issued with the benefit of a deed of covenant (as amended, restated or supplemented from time to time, the “**Deed of Covenant**”) dated 31 May 2019, executed by the Issuer by way of a deed poll. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Securities. The Issuer has entered into an Agency Agreement (as amended, restated or supplemented from time to time, the “**Agency Agreement**”) dated 31 May 2019 made between (1) the Issuer, (2) Perpetual (Asia) Limited, as paying agent (in such capacity, the “**Paying Agent**”), (3) Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), as transfer and conversion agent (in each of the respective capacities, the “**Transfer Agent**” and “**Conversion Agent**”), (4) Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), as registrar (in such capacity, the “**Registrar**”) relating to the Securities, (5) Perpetual (Asia) Limited as calculation agent (in such capacity, the “**Calculation Agent**”) and (6) the Trustee. “**Agents**” means the Paying Agent, the Registrar, the Transfer Agent, the Conversion Agent, the Calculation Agent and any other agent or agents appointed from time to time with respect to the Securities. The Issuer has also signed an application form which has been accepted by The Central Depository (Pte) Limited (“**CDP**”) together with the terms and conditions for the provision of depository services by CDP referred to therein (the “**Depository Agreement**”).

Copies of the Trust Deed, the Agency Agreement, the Deed of Covenant and the Depository Agreement are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Paying Agent for the time being. The Securityholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Deed of Covenant and are deemed to have notice of those provisions applicable to them in the Agency Agreement and the Depository Agreement.

Words and expressions defined in the Trust Deed shall have the same meanings where used in these Conditions, unless the context otherwise requires or unless otherwise stated.

### 1. FORM, DENOMINATION AND TITLE

#### 1.1. Form and Denomination

- (a) The Securities are issued in the specified denomination of S\$1.30 each and integral multiples thereof.

- (b) The Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Conditions 2.1 and 2.2, each Certificate shall represent the entire holding of Securities by the same holder.
- (c) Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register (as defined below).
- (d) Upon issue, the Securities will be represented initially by the Global Certificate deposited with, and registered in the name of, CDP. The Conditions are modified by certain provisions contained in the Global Certificate.

## 1.2. Title

- (a) Title to the Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”), on which shall be entered the names and addresses of the Securityholders and the particulars of the Securities held by them and of all transfers of the Securities.
- (b) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Security shall be deemed to be and may be treated as its absolute owner for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Security shall be overdue and notwithstanding any notice of ownership, trust or an interest in it, any writing on the Certificate representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.
- (c) In these Conditions, “**Securityholder**” and “**holder**” means the person in whose name a Security is registered.

## 2. TRANSFERS OF SECURITIES

### 2.1. Transfer of Securities

Subject to Conditions 2.4 and 2.5 below, one or more Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Securities to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and (in the case of any change proposed by the Registrar) with the prior written approval of the Issuer. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.

## 2.2. Exercise of Options or Partial Redemption or Purchase in Respect of Securities

In the case of an exercise of the Issuer's option in respect of, or a partial redemption or purchase of, a holding of Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or Transfer Agent. In the case of a transfer of Securities to a person who is already a holder of Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

## 2.3. Collection of New Certificates

Each new Certificate to be issued pursuant to Condition 2.1 or 2.2 shall be available for collection within five business days of receipt of a duly completed and signed form of transfer and surrender of the Certificate(s) for exchange. Collection of the new Certificate(s) shall be made at the specified office of the Registrar or the Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate(s) shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2.3 only, "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Singapore and in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

*For so long as any of the Securities is represented by the Global Certificate and the Global Certificate is registered in the name of CDP, each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Securities (in which regard any certificate or other document issued by CDP as to the principal amount of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Paying Agent, the Registrar, the Transfer Agent, the Conversion Agent and the Trustee as the holder of such principal amount of Securities other than with respect to the payment of principal and Distributions (including Arrears of Distribution) and any other amounts in respect of the Securities, for which purpose the registered holder of the Global Certificate shall be treated by the Issuer, the Paying Agent, the Registrar, the Transfer Agent, the Conversion Agent, the Calculation Agent and the Trustee as the holder of such Securities in accordance with and subject to the terms of the Global Certificate (and the expressions "Securityholder" and "Holder" and related expressions shall be construed accordingly). Securities which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of CDP.*

## 2.4. Transfers Free of Charge

Transfers of Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the Transfer Agent may require in respect of any such tax or charges).

## 2.5. Closed Periods

No Securityholder may require the transfer of a Security to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Security, (ii) during the period of 15 days prior to (and including) any date on which the Securities may be called for redemption by the Issuer at its option pursuant to Condition 6.2, (iii) after any such Security has been called for redemption or (iv) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 7.1(b)).

## 3. STATUS

### 3.1. Status of Securities

The Securities constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Issuer. The rights and claims of the Securityholders in respect of the Securities are subordinated as provided in this Condition 3.1 and Condition 3.2.

In these Conditions, “**Parity Obligation**” means any instrument or security (other than shares) issued, entered into or guaranteed by the Issuer (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Securities and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof.

### 3.2. Ranking of claims on winding-up

Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Issuer, the rights of the Securityholders to payment of the principal amount of the relevant Security together with accrued and unpaid Distributions (as defined below) (including any unpaid Arrears of Distribution (as defined below)) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Securities, but always in priority to the claims of shareholders of the Issuer.

### 3.3. No set-off

Subject to applicable law, no Securityholder may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, arising under or in connection with the Securities, and each Securityholder shall, by virtue of his holding of any Securities, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. If at any time any Securityholder receives payment or benefit of any amount in respect of the Securities (including any benefit received pursuant to any set-off, deduction, withholding or retention) other than in accordance with the Conditions, the payment of such amount or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Securityholder shall immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

#### **4. DISTRIBUTION AND OTHER CALCULATIONS**

##### **4.1. Distribution on Securities**

###### **(a) Distribution Rate and Accrual**

Subject to Condition 4.2, each Security confers a right to receive distributions on its outstanding principal amount (each a “**Distribution**”) from (and including) the Issue Date at the rate per annum (expressed as a percentage) equal to the Distribution Rate (as defined in Condition 4.1(b) below) payable semi-annually in arrear on 1 January and 1 July in each year (each a “**Distribution Payment Date**”). The first payment of Distribution will be made on 1 July 2019.

Unless otherwise provided in these Conditions, Distribution will cease to accrue on each Security from the due date for redemption thereof (i) subject to Condition 5.7, where the Conversion Right (as defined in Condition 5.1) shall have been exercised by a Securityholder, from the Distribution Payment Date immediately preceding the relevant Conversion Date (as defined below) or, if there has been no Distribution Payment Date, the Issue Date or (ii) where such Security is redeemed pursuant to Condition 6, from the due date for redemption unless, upon surrender of the Certificate representing such Security and subject to the provisions of the Trust Deed, payment of the full amount is improperly withheld or refused, in which event Distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4.1 to the Relevant Date (as defined in Condition 8).

Save as provided in Condition 5.7, no payment or adjustment shall be made on conversion for any Distribution accrued on converted Securities since the Distribution Payment Date last preceding the relevant Conversion Date or, if the Securities are converted on or before the first Distribution Payment Date, since the Issue Date.

For so long as any of the Securities is represented by the Global Certificate and the Global Certificate is held by CDP, the Distributions (including Arrears of Distribution) payable on such Securities will be determined based on the aggregate holdings of Securities of each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Securities.

###### **(b) Distribution Rate**

The distribution rate applicable to the Securities (the “**Distribution Rate**”) shall be 3.98 per cent. per annum.

###### **(c) Calculations**

If Distribution is required to be calculated for a period of less than one year, the relevant day-count fraction used will be the number of days in the relevant period, from (and including) the date from which Distributions begin to accrue to (but excluding) the date on which it falls due, divided by 365.

##### **4.2. Distribution Deferral**

###### **(a) Optional Deferral**

The Issuer may, at its sole discretion, elect to defer any Distribution, in whole or in part, which is otherwise scheduled to be paid on a Distribution Payment Date by giving notice (an “**Optional Deferral Notice**”) of such election to the Trustee, the Agents and

the Securityholders (in accordance with Condition 15) not more than 15 nor less than five business days prior to a scheduled Distribution Payment Date. Each Optional Deferral Notice shall be conclusive and binding on the Securityholders.

(b) **No obligation to pay**

The Issuer shall have no obligation to pay any Distribution (including any Arrears of Distribution) on any Distribution Payment Date if it validly elects not to do so in accordance with this Condition 4.2 and any failure to pay such Distribution, in whole or in part, shall not constitute a default of the Issuer in respect of the Securities.

(c) **Cumulative Deferral**

Any Distribution deferred pursuant to this Condition 4.2 shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect (in the circumstances set out in Condition 4.2(a)) to further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued Distribution. The Issuer is not subject to any limit as to the number of times Distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4.2 except that Condition 4.2(d) shall be complied with until all outstanding Arrears of Distribution have been paid in full. In any event, no interest on any Arrears of Distribution will be payable to Securityholders.

(d) **Restrictions in the case of Deferral**

If on any Distribution Payment Date, payment of Distributions (including Arrears of Distribution) scheduled to be made on such date is not made in full by reason of this Condition 4.2, the Issuer shall not:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer’s Junior Obligations or (except on a *pro rata* basis with the Securities) any of the Issuer’s Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, any of the Issuer’s Junior Obligations or (except on a *pro rata* basis with the Securities) any of the Issuer’s Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, officers, directors or consultants of the Issuer or (2) as a result of the exchange or conversion of the Issuer’s Parity Obligations for the Issuer’s Junior Obligations unless and until (A) the Issuer has satisfied in full all outstanding Arrears of Distribution or (B) the Issuer is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed).

In these Conditions, “**Junior Obligation**” means any ordinary shares of the Issuer and any class of the Issuer’s share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Securities.

(e) **Satisfaction of Arrears of Distribution**

The Issuer:

- (i) may, at its sole discretion, satisfy Arrears of Distribution (in whole or in part) at any time by giving notice of such election to the Trustee, the Paying Agent and the Securityholders (in accordance with Condition 15) not more than 20 nor less than 10 business days prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy all Arrears of Distribution (in whole but not in part) on the earliest of:
  - (A) the date of redemption of the Securities in accordance with the redemption events set out in Condition 6 (as applicable);
  - (B) the next Distribution Payment Date on the occurrence of a breach of Condition 4.2(d); and
  - (C) the date such amount becomes due under Condition 10 or on a winding-up of the Issuer.

Any partial payment of Arrears of Distribution by the Issuer shall be shared by the Securityholders on a *pro-rata* basis.

(f) **Extinction of Arrears of Distribution upon exercise of Conversion Right**

Any Arrears of Distribution due in respect of a Security shall be extinguished by the Issuer in full through the delivery by the Issuer of the Ordinary Shares (as defined in Condition 5.1) issuable by it in accordance with Condition 5 upon the exercise of the Securityholder's Conversion Right in respect of such Security. Upon compliance in full of the requirement under Condition 5, the Issuer shall have no liability to pay the Arrears of Distribution due in respect of the converted Security and, no converting Securityholder shall have any claim in respect of such Arrears of Distribution.

(g) **No default**

Notwithstanding any other provision in these Conditions, the deferral of any Distribution (including any Arrears of Distribution) in accordance with this Condition 4.2 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 10) on the part of the Issuer.

**5. CONVERSION OF SECURITIES**

5.1. Conversion Period and Conversion Price

As provided in these Conditions, each Security shall entitle the Securityholder to convert such Security into new Ordinary Shares ("**Conversion Shares**") at the Conversion Price (as defined below) as determined by the Issuer, credited as fully paid (a "**Conversion Right**").

The initial conversion price is S\$1.30 per Ordinary Share (the "**Conversion Price**"). The Conversion Price is subject to adjustment in the circumstances described in Condition 5.2, provided always that the Conversion Price shall not be less than the nominal or par value of an Ordinary Share.



A Securityholder may exercise the Conversion Right in respect of a Security by delivering the relevant Certificate, together with a duly completed Conversion Notice, to the specified office of the Conversion Agent in accordance with Condition 5.5 whereupon the Issuer shall (subject as provided in these Conditions) procure the delivery, to or as directed by the relevant Securityholder, of Ordinary Shares credited as paid up in full as provided in this Condition 5.

Subject to and as provided in these Conditions, the Conversion Right in respect of a Security may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided from 11 July 2019, and if such Security is to be redeemed pursuant to Condition 6.2, 6.3, 6.4, 6.5 or 6.6, up to (and including) the close of business (at the place where the relevant Certificate is delivered for conversion) on the 7th day before the date fixed for redemption thereof pursuant to Condition 6.2, 6.3, 6.4, 6.5 or 6.6 unless there shall be a default in making payment in respect of such Security on such date fixed for redemption, in which event the Conversion Right shall extend up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment has been duly received by the Paying Agent or the Trustee and notice of such receipt has been duly given in accordance with Condition 15 but excluding the period (a "**Conversion Closed Period**") commencing 14 days prior to each Distribution Payment Date and ending on the relevant Distribution Payment Date (the "**Conversion Period**"); provided that, in each case, if such final date for the exercise of Conversion Rights is not a business day at the place aforesaid, then the period for exercise of Conversion Rights by Securityholders shall end on the immediately preceding business day at the place aforesaid. Any Security in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date notwithstanding that any redemption of the Securities may have taken place before such Conversion Date or the full amount of the moneys payable in respect of such Security shall have been received by the Paying Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

The number of Ordinary Shares to be issued and delivered on exercise of a Conversion Right will be determined by dividing the principal amount of the Security to be converted by the Conversion Price in effect at the Conversion Date. A Conversion Right may only be exercised in respect of one or more Securities.

Fractions of Ordinary Shares will not be issued or delivered on exercise of Conversion Rights and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Security is exercised at any one time such that Ordinary Shares to be delivered on conversion are to be registered in the same name, the number of such Ordinary Shares to be delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Securities being so converted and rounded down to the nearest whole number of Ordinary Shares. Notwithstanding the foregoing, in the event of a consolidation of Ordinary Shares by operation of law or otherwise occurring after the Issue Date which reduces the number of Ordinary Shares outstanding, the Issuer will upon conversion of the Securities pay in cash the sum equal to such portion of the principal amount of the Securities or Securities evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided above as corresponds to any fraction of an Ordinary Share not issued as a result of such consolidation if such sum exceeds S\$10.00. Any such sum shall be paid in Singapore not later than five (5) business days after the relevant Conversion Date by means of a Singapore dollar cheque drawn on, or by a transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore, in accordance with instructions given by the relevant Securityholder in the relevant Conversion Notice.

The Issuer will procure that Ordinary Shares to be issued or delivered on exercise of Conversion Rights will be issued or delivered to the holder of the Securities completing the relevant Conversion Notice or his nominee. Such Ordinary Shares will be deemed to be issued or delivered as of the relevant Conversion Date.

As used in these Conditions, the expression “**Ordinary Shares**” means ordinary shares of par value US\$0.10 each as at the Issue Date in the capital of the Issuer, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

## 5.2. Adjustment of Conversion Price

The Conversion Price will be subject to adjustment in the following events:

### (a) **Consolidation or Subdivision**

If and whenever there shall be an alteration to the nominal or par value of the Ordinary Shares as a result of consolidation or subdivision, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

“**A**” is the nominal or par value of one Ordinary Share immediately after such alteration; and

“**B**” is the nominal or par value of one Ordinary Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

### (b) **Capitalisation of Profits or Reserves**

(i) If and whenever the Issuer shall issue any Ordinary Shares credited as fully paid to the holders of the Ordinary Shares (the “**Shareholders**”) by way of capitalisation of profits or reserves (including any share premium account) including Ordinary Shares paid up out of distributable profits or reserves and/or share premium account, save where Ordinary Shares are issued in lieu of the whole or any part of a specifically declared cash dividend (the “**Relevant Cash Dividend**”), being a dividend which the Shareholders concerned would or could otherwise have received (a “**Scrip Dividend**”) and which would not have constituted a Capital Distribution (as defined herein), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

“A” is the aggregate number of issued and fully paid-up Ordinary Shares immediately before such issue; and

“B” is the aggregate number of issued and fully paid-up Ordinary Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or if a record date is fixed therefor, immediately after such record date.

- (ii) In the case of an issue of Ordinary Shares by way of a Scrip Dividend where the Current Market Price (as defined below) of such Ordinary Shares exceeds 105 per cent. of the Relevant Cash Dividend or the relevant part thereof which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Ordinary Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

“A” is the aggregate number of issued and fully paid-up Ordinary Shares immediately before such issue;

“B” is the aggregate number of Ordinary Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the Current Market Price of the Ordinary Shares issued by way of Scrip Dividend in respect of each existing Ordinary Share in lieu of the whole, or the relevant part, of the Relevant Cash Dividend; and

“C” is the aggregate number of Ordinary Shares issued by way of such Scrip Dividend.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or if a record date is fixed therefor, immediately after such record date.

**(c) Capital Distribution**

- (i) Subject to Condition 5.2(c)(ii), if and whenever the Issuer shall pay or make any Capital Distribution to the Shareholders other than in cash only (except to the extent that the Conversion Price falls to be adjusted under Condition 5.2(b) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

“**A**” is the Current Market Price of one Ordinary Share on the date on which the Capital Distribution is publicly announced; and

“**B**” is the Fair Market Value on the date of such announcement of the portion of the Capital Distribution attributable to one Ordinary Share.

Such adjustment shall become effective on the date that such Capital Distribution is made or, if later, the first date upon which the Fair Market Value of the Capital Distribution is capable of being determined as provided in these Conditions.

- (ii) If and whenever the Issuer shall pay or make any Capital Distribution in cash only to the Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

“**A**” is the Current Market Price of one Ordinary Share on the record date for the determination of Shareholders entitled to receive such Capital Distribution in cash; and

“**B**” is the amount of cash so distributed attributable to one Ordinary Share.

Such adjustment shall become effective on the date on which such Capital Distribution in cash is actually made or if a record date is fixed therefore, immediately after such record date.

**(d) Rights Issues of Ordinary Shares or Options over Ordinary Shares**

If and whenever the Issuer shall issue Ordinary Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Ordinary Shares, in each case at less than the Relevant Price (as defined below) on the date of the announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

“**A**” is the number of Ordinary Shares in issue immediately before such announcement;

“B” is the number of Ordinary Shares which the aggregate amount (if any) payable for the Ordinary Shares issued by way of rights or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares comprised therein would purchase or otherwise acquire at such Current Market Price; and

“C” is the aggregate number of Ordinary Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or issue or grant of such options, warrants or other rights (as the case may be) or, where a record date is set, the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants, as the case may be on the relevant stock exchange.

(e) **Rights Issues of Other Securities**

If and whenever the Issuer shall issue any securities (other than Ordinary Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares) to all or substantially all Shareholders as a class, by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, of any options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Ordinary Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

“A” is the Current Market Price of one Ordinary Share on the date on which such issue or grant is publicly announced; and

“B” is the portion of the Fair Market Value of the aggregate options, warrants or rights attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate number of options, warrants or rights on the Effective Date by the number of Ordinary Shares entitled to receive the relevant rights.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or, where a record date is set, the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants, as the case may be on the relevant stock exchange.

For the avoidance of doubt, in the case of any instrument issued by the Issuer convertible or exchangeable into or exercisable for Ordinary Shares or warrants or other rights to purchase Ordinary Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Ordinary Shares, including equity swaps, forward sales and options representing the right to receive Ordinary Shares (whether or not such contract is to be settled by delivery of Ordinary Shares, in cash or otherwise), the Conversion Price shall fall to be adjusted in accordance with Condition 5.2(d).

(f) **Issues at less than Relevant Price**

If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 5.2(d)) any Ordinary Shares (other than Ordinary Shares issued on the exercise of any other rights of conversion into, or exchange or subscription for, Ordinary Shares (if any)) or the issue or grant of (otherwise as mentioned in Condition 5.2(d)) options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares (other than the Securities, which term shall for this purpose include any Further Securities) in each case at a price per Ordinary Share which is less than the Relevant Price on the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{C}$$

where:

“**A**” is the number of Ordinary Shares in issue immediately before the issue of such additional Ordinary Shares or the grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Ordinary Shares;

“**B**” is the number of Ordinary Shares which the aggregate consideration receivable for the issue of such additional Ordinary Shares would purchase at such Current Market Price; and

“**C**” is the number of Ordinary Shares in issue immediately after the issue of such additional Ordinary Shares.

References to additional Ordinary Shares in the above formula shall, in the case of an issue or grant by the Issuer of options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares, mean such Ordinary Shares to be issued, or otherwise made available, assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

(g) **Other Issues at less than Relevant Price**

Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities, if the Issuer (otherwise than as mentioned in Condition 5.2(d), 5.2(e) or 5.2(f)) or (at the direction or request of or pursuant to any arrangements with the Issuer) any other company, person or entity shall issue any securities (other than the Securities, which term for this purpose shall include any Further Securities) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Ordinary Shares at a consideration per Ordinary Share which is less than the Relevant Price on the date of announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

“**A**” is the number of Ordinary Shares in issue immediately before such issue;

“**B**” is the number of Ordinary Shares which the aggregate consideration receivable by the Issuer for the Ordinary Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price; and

“**C**” is the maximum number of Ordinary Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

(h) **Modification of Rights of Conversion etc.**

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 5.2(g) (other than in accordance with the terms applicable to such securities) so that the consideration per Ordinary Share (for the number of Ordinary Shares available on conversion, exchange or subscription following the modification) is less than the Relevant Price on the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

“**A**” is the number of Ordinary Shares in issue immediately before such modification;

“**B**” is the number of Ordinary Shares which the aggregate consideration receivable by the Issuer for the Ordinary Shares to be issued, or otherwise made available, on conversion or exchange or on exercise of the right of subscription attached to the securities, so modified, would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange or subscription price of such securities; and

“**C**” is the maximum number of Ordinary Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(i) **Other Offers to Shareholders**

If and whenever there is an issue, sale or distribution by or on behalf of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer) any other company, person or entity of any securities in connection with an offer by or on behalf of the Issuer or such other company, person or entity pursuant to which offer the Shareholders generally (meaning for these purposes the holders of at least 60 per

cent. of the Ordinary Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Condition 5.2(d), 5.2(e), 5.2(f) or 5.2(g)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A - B}{A}$$

where:

“**A**” is the Current Market Price on the date on which such issue is publicly announced; and

“**B**” is the Fair Market Value on the date of such announcement, as determined in good faith by the Independent Financial Adviser, of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the date of issue of the securities.

(j) **Other Events**

Save in the case of the issue of any Specified Instruments (as defined in the Trust Deed), where no adjustment will be made to the Conversion Price, if the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 5.2 or notwithstanding the preceding sub-paragraphs of this Condition 5.2, in any circumstances where the Issuer considers that any adjustments to the Conversion Price contemplated under this Condition 5.2 should be calculated on a different basis or date or should take effect on a different date from that provided for in this Condition 5.2 or is otherwise inappropriate, the Issuer shall at its own expense use an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Financial Adviser such adjustment (if any) shall be made and shall take effect in accordance with such determination, so as to restore the economic position of the Securityholders after the occurrence of such events or circumstances, to the extent possible and permitted under applicable law and subject to the relevant thresholds agreed in Conditions 5.2(d), (f), (g) and (h) and with the intent that the per share value of any such adjustment shall not exceed the per share value dilution to the Securityholder’s interest in the equity of the Issuer under the Securities, to the same economic position as if the diluting or concentrating effect of such events or circumstances had not occurred, PROVIDED THAT where the circumstances giving rise to any adjustment pursuant to this Condition 5.2 have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 5.2 as may be advised by an Independent Financial Adviser, to be in its opinion appropriate to give the intended result.



Notwithstanding the foregoing provisions:

- (A) where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Financial Adviser to be in its opinion appropriate to give the intended result with the intent that the per share value of any such adjustment shall not exceed the per share value dilution to the Securityholder's interest in the equity of the Issuer under the Securities;
- (B) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Financial Adviser to be in its opinion appropriate: (1) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once; and (2) to ensure that the economic effect of a Capital Distribution is not taken into account more than once;
- (C) no adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Ordinary Shares as referred on Condition 5.2(a) above;
- (D) no adjustment shall be made to the Conversion Price on the issuance of the Warrants (including additional Warrants that may be issued pursuant to any adjustments under the Warrants), the Warrant Exercise Shares (as defined in the Trust Deed), the Conversion Shares, any Specified Instruments or any Further Securities;
- (E) no adjustment shall be made to the Conversion Price where Ordinary Shares or other securities including rights, warrants or options are issued, offered, exercised, allotted, appropriated, modified or granted to or for the benefit of employees or officers or former employees or officers (including directors holding or formerly holding executive office) of the Issuer or any of its subsidiaries or any associated company of the Issuer pursuant to any employees' share scheme or plan (including a dividend reinvestment plan) provided that such scheme or plan is in compliance with the listing rules of the SGX-ST or an Alternative Stock Exchange;
- (F) if the Issuer fails to select an Independent Financial Adviser when required for the purposes of this Condition 5.2, the Trustee may (but shall in no way be obliged to) select such adviser and shall have no liability to any person in respect of such selection. All costs, charges, liabilities and expenses incurred in connection with the appointment, retention, consultation and remuneration of any Independent Financial Adviser appointed under these Conditions shall be borne by the Issuer; and
- (G) in the event that the Conversion Price as determined above is less than the nominal or par value of an Ordinary Share, the Conversion Price shall be the nominal or par value of an Ordinary Share.

### 5.3. Decision of an Independent Financial Adviser

A copy of the determination of an Independent Financial Adviser referred to in Condition 5.2 shall be conclusive and binding on the Issuer, the Securityholders and the Trustee, save in the case of manifest error.

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, a written opinion of such Independent Financial Adviser in respect thereof shall be conclusive and binding on the Issuer, the Securityholders and the Trustee, save in the case of manifest error.

### 5.4. Rounding Down

On any adjustment, the resultant Conversion Price, if not an integral multiple of S\$0.005, shall be rounded to the nearest whole multiple of S\$0.005. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect or where the Conversion Price would be less than the nominal or par value of an Ordinary Share after such adjustment. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Securityholders in accordance with Condition 15 and to the Trustee and the Agents promptly after the determination thereof. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

The Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below any minimum level permitted by applicable laws or regulations.

### 5.5. Procedure for exercise of Conversion Rights

Conversion Rights may be exercised by a Securityholder during the Conversion Period by delivering the relevant Certificate to the specified office of the Conversion Agent, between 9.00 a.m. and 3.00 p.m. (local time in the place of deposit) on any business day, accompanied by a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form (for the time being current) obtainable from any Conversion Agent and confirmation that any amounts required to be paid by the Securityholder under this Condition 5.5 have been so paid.

Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If such delivery is made after 3.00 p.m. (local time in the place of deposit) on any business day or on a day which is not a business day in the place of the specified office of the Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following business day.

The Issuer, or the Conversion Agent on its behalf, may reject any Conversion Notice which is, in its reasonable opinion, incorrect or incomplete in any material respect and such decision shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Conversion Agent and the relevant Securityholder.

A Conversion Notice, once delivered, shall be irrevocable.

The conversion date in respect of a Security (the “**Conversion Date**”) shall be the business day in Singapore immediately following the date of the delivery of the relevant Certificate and the Conversion Notice as provided in this Condition 5.5 and, if applicable, the making of any payment to be made as provided below.

*Subject to the requirements of CDP, the Conversion Right attaching to a Security represented by the Global Certificate may be exercised by the presentation to or to the order of a Conversion Agent of one or more Conversion Notices duly completed by or on behalf of each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of Securities (each an “**Accountholder**”). Deposit of the Global Certificate with the Conversion Agent (or any other conversion agent from time to time) together with the relevant Conversion Notice shall not be required. In such a case, the delivery of the Conversion Notice in respect of the Securities to be converted will constitute or be deemed to constitute confirmation by the relevant Accountholder that the information and representations in the Conversion Notice are true and accurate on the date of delivery. The exercise of the Conversion Right shall be notified by the Conversion Agent (or any other conversion agent from time to time) to the holder of the Global Certificate.*

*Any exercise of the Conversion Right attaching to a Security represented by the Global Certificate shall be further conditional on that principal amount of Securities so exercised being available in the “Free Balance” of the securities account(s) of the exercising Securityholder with CDP until the relevant Conversion Date and on the exercising Securityholder electing in the Conversion Notice to have the delivery of the Ordinary Shares allotted and issued on conversion of the relevant Securities to be effected by crediting such Ordinary Shares to the securities account(s) of the exercising Securityholder or as it may direct, failing which the Conversion Notice shall be void and all rights of the exercising Securityholder and of any other person thereunder shall cease.*

A Securityholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on conversion (other than any capital, stamp, issue, registration and transfer taxes and duties payable in Singapore in respect of the issue or transfer and delivery of any Ordinary Shares in respect of such exercise, which shall be paid by the Issuer). If the Issuer shall fail to pay any taxes and capital, stamp, issue, registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Securityholder in respect of any payment thereof and any penalties payable in respect thereof.

The Trustee and the Agents shall not be responsible or liable for determining whether any such taxes or capital, stamp, issue, registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable in any way to anyone for any failure or omission by the Issuer or any Securityholder to pay such taxes or capital, stamp, issue, registration and transfer taxes and duties.

Such Securityholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Security or interest therein in connection with the exercise of its Conversion Rights.

Ordinary Shares to be delivered on exercise of Conversion Rights (including any Additional Ordinary Shares (as defined below)) will be allotted to and registered in the name of CDP for credit to the securities account designated for the purpose in the Conversion Notice. Where Ordinary Shares are to be delivered through CDP, they will be delivered to the securities account specified by the relevant Securityholder in the relevant Conversion Notice by not later than five Singapore business days following the relevant Conversion Date. Where Ordinary Shares (including any Additional Ordinary Shares) are to be delivered in certificated form, the Issuer will register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Ordinary Shares in the Issuer's share register and a certificate in respect thereof will be dispatched by mail free of charge (but uninsured and at the risk of the recipient) to the relevant Securityholder or as it may direct in the relevant Conversion Notice within 15 business days following the relevant Conversion Date, together with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.

The person or persons designated in the Conversion Notice will become the holder of record of the number of Ordinary Shares issuable upon conversion with effect from the date the relevant Ordinary Shares are credited to their respective accounts with CDP or he is or they are registered as such in the Issuer's register of members (the "**Registration Date**").

If the Conversion Date in relation to any Security shall be on or after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 5.2 but before the relevant adjustment becomes effective under the relevant Condition, upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Securityholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Ordinary Shares (the "**Additional Ordinary Shares**") as is, together with Ordinary Shares to be issued on conversion of the Securities, equal to the number of Ordinary Shares which would have been required to be issued on conversion of such Securities if the relevant adjustment to the Conversion Price had been made and become effective on or immediately prior to the relevant Conversion Date (the "**Retroactive Adjustment**").

If the record date for the payment of any dividend or other distribution in respect of the Ordinary Shares is on or after the Conversion Date in respect of any Security, but before the Registration Date (disregarding any Retroactive Adjustment referred to above prior to the time such Retroactive Adjustment shall have become effective), the Issuer will calculate and pay to the converting Securityholder or his designee an amount in Singapore dollars (the "**Equivalent Amount**") equal to the Fair Market Value of such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record and will make the payment at the same time as it makes payment of the non-cash dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than seven days thereafter. The Equivalent Amount shall be paid by means of a Singapore dollar cheque drawn on, or by transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore, in accordance with instructions given by the relevant Conversion Notice.

#### 5.6. Ordinary Shares

The Ordinary Shares issued and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Conversion Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any dividends, rights,

allocations or distributions the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date other than as set out in Condition 5.5 above.

#### 5.7. Distribution Accrual

If any notice requiring the redemption of any Security is given pursuant to Condition 6 during the period beginning on the fifteenth day prior to the record date in respect of any dividend or distribution payable in respect of the Ordinary Shares and ending on the next following Distribution Payment Date after such record date, where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the next following Distribution Payment Date, Distribution shall (subject as hereinafter provided) accrue on the Securities as follows:

- (a) where the Certificates have been delivered for conversion and in respect of which the Conversion Date falls after such record date and on or prior to the next following Distribution Payment Date after such record date, Distribution shall accrue on the Securities, from the preceding Distribution Payment Date to, but excluding, the relevant Conversion Date; or
- (b) where the Certificates have been delivered for conversion and in respect of which the Conversion Date falls after such record date and on or prior to the first Distribution Payment Date, Distribution shall accrue on the Securities, from, and including 31 May 2019 to, but excluding, the relevant Conversion Date,

provided that no such Distribution shall accrue on any Security in the event that the Ordinary Shares issued on conversion thereof shall carry an entitlement to receive such dividend or distribution or in the event the Security carries an entitlement to receive an Equivalent Amount. Any such Distribution shall be paid not later than 14 days after the relevant Conversion Date by a Singapore dollar cheque drawn on, or by transfer to a Singapore dollar account maintained by the payee with, a bank in Singapore, in accordance with instructions given by the relevant Securityholder in the relevant Conversion Notice.

#### 5.8. Representations, Warranties and Covenants

The Issuer has in the Trust Deed:

- (a) represented and warranted to and for the benefit of the Trustee that:
  - (i) the Conversion Shares when issued and delivered in the manner contemplated by these Conditions will be:
    - (A) duly and validly issued and fully paid;
    - (B) rank *pari passu* with, and carry the same rights in all respects as the other Ordinary Shares then outstanding (except that the Conversion Shares will not be entitled to any dividends, rights, allocations or distributions the record date or other due date for the establishment of entitlement for which falls prior to the relevant date of conversion of the Securities as set out in these Conditions); and
    - (C) except as provided in Articles 48, 49, 50 and 51 of the Articles of Association of the Issuer, be freely transferable, free and clear of any encumbrances and will not be subject to calls for further funds;

- (ii) the Issuer will have sufficient authority for the issue of such number of Conversion Shares as would be required to be issued on conversion of all the Securities;
  - (iii) except as provided in Articles 48, 49, 50 and 51 of the Articles of Association of the Issuer, (A) the issue of the Conversion Shares will not be subject to any pre-emptive or similar rights under the Memorandum and Articles of Association of the Issuer and (B) under Singapore or Cayman Islands law and the Memorandum and Articles of Association of the Issuer there are no restrictions on transfers of the Ordinary Shares;
  - (iv) all of the outstanding Ordinary Shares have been, and on the Issue Date, the Issuer will procure that all of the Conversion Shares will be, when issued, duly listed on the SGX-ST;
  - (v) the Issuer is in compliance with and will comply with all applicable laws and the applicable requirements of the Listing Manual of the SGX-ST with respect to the Conversion Shares and the Ordinary Shares; and
  - (vi) except as provided in Articles 29, 38, 48, 49, 50, 51, 54, 65, 74, 75, 77, 78 and 79 of the Articles of Association of the Issuer, there are no restrictions applicable to the fully-paid up Ordinary Shares generally upon the voting and transfer of any of the Ordinary Shares pursuant to the Issuer's Memorandum and Articles of Association or pursuant to any agreement or other instrument to which the Issuer is a party or by which the Issuer may be bound;
- (b) covenanted with the Trustee that so long as any Security remains outstanding, the Issuer will:
- (i) keep available, free from any other pre-emptive or other similar rights, out of its authorised share capital the full number of Ordinary Shares liable to be issued on conversion of the Securities from time to time remaining outstanding and to satisfy in full all other rights of conversion into or exchange or subscription for Ordinary Shares and will ensure that all Ordinary Shares delivered on conversion of Securities will be duly and validly credited as fully-paid; and
  - (ii) use all reasonable endeavours to:
    - (A) maintain a listing for all the issued Ordinary Shares on the SGX-ST;
    - (B) obtain and maintain a listing for all the Ordinary Shares issued on exercise of the Conversion Rights attaching to the Securities on the SGX-ST; and
    - (C) if the Issuer is unable to obtain or maintain such listing, to obtain and maintain a listing for all Ordinary Shares issued on exercise of the Conversion Rights on an Alternative Stock Exchange as the Issuer may from time to time (with the prior written consent of the Trustee) determine and will forthwith give notice to Securityholders in accordance with Condition 15 of the listing or delisting of Ordinary Shares (as a class) by any such stock exchanges.

#### 5.9. No Duty to Monitor

Neither the Trustee nor the Agents shall be under any duty or obligation to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price and will not be responsible or liable to the Securityholders for any loss arising from any failure by it to do so, nor shall the Trustee or the Agents be responsible or liable in any way to any person for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment or for any delay of the Issuer or the Independent Financial Adviser in making such determination or calculation of any such adjustment or any erroneous determination by the Issuer or the Independent Financial Adviser. In addition, none of the Trustee, the Paying Agent, the Registrar, the Conversion Agent, the Transfer Agent or the Calculation Agent shall be under any duty or obligation to calculate, determine or verify the number of Ordinary Shares to be issued upon conversion of the Securities or the method used in such determination.

#### 5.10. No Obligation for Issuer's failure

Neither the Trustee nor the Agents shall be responsible or liable to the Securityholders or any person for any failure of the Issuer (i) to make any payments or (ii) to issue, transfer or deliver any Ordinary Shares or other securities or property upon the surrender of any Security for the purposes of conversion or any failure by the Issuer to comply with any of its covenants set out in these Conditions.

#### 5.11. Calculations

All calculations under these Conditions, the Trust Deed and the Agency Agreement shall be performed by the Issuer or any other person nominated or authorised by the Issuer. Neither the Trustee nor the Agents shall be liable in any respect for the accuracy or inaccuracy in any mathematical calculation or formula under these Conditions, the Agency Agreement or the Trust Deed, whether by the Issuer or any other person so nominated or authorised by the Issuer for the purposes of these Conditions, the Agency Agreement or the Trust Deed.

#### 5.12. Purchase of Ordinary Shares

The Issuer may exercise such rights as it may from time to time enjoy to purchase or otherwise acquire any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Securityholders.

#### 5.13. Definitions

In these Conditions:

**“Alternative Stock Exchange”** means at any time, in the case of the Ordinary Shares, if they are not at that time listed and traded on the SGX-ST, the principal stock exchange or securities market on which the Ordinary Shares are then listed or quoted or dealt in;

**“business day”** means, in respect of each Security, (i) a day (other than a Saturday or Sunday) on which the CDP is operating, (ii) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in the country of the Paying Agent's specified office and (iii) (if a payment is to be made on that day) a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in Singapore;

**“Capital Distribution”** means any dividend or distribution of cash or assets in specie or other property, and whenever paid or made and however described (and for these purposes a distribution of assets in specie includes without limitation an issue of shares or other securities credited as fully or partly paid (other than Ordinary Shares credited as fully paid to the extent any adjustment to the Conversion Price is made in respect thereof under Condition 5.2(b)) by way of capitalisation of reserves) and including any Scrip Dividend to the extent of the Relevant Cash Dividend unless it comprises a purchase of Ordinary Shares by or on behalf of the Issuer (or a purchase of the Ordinary Shares by or on behalf of a subsidiary of the Issuer), where the weighted average price (before expenses) on any one day in respect of such purchases does not exceed the average closing market price of the Ordinary Shares as quoted by the SGX-ST or, as the case may be, Alternative Stock Exchange, by more than 5 per cent. either (1) on that date, or (2) where an announcement has been made of the intention to purchase Ordinary Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement (excluding, for the avoidance of doubt, general authority for such purchases given by a Shareholders’ meeting of the Issuer, or any notice convening such meeting) and, if in the case of either (1) or (2), the relevant day is not a Trading Day, the immediately preceding Trading Day.

**“Current Market Price”** means, in respect of an Ordinary Share at a particular time on a particular date, the average of the closing prices quoted by the SGX-ST or, as the case may be, by the Alternative Stock Exchange for one Ordinary Share (being an Ordinary Share carrying full entitlement to dividend) for the five consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that if at any time during the said five Trading Day period the Ordinary Shares shall have been quoted ex-dividend and during some other part of that period the Ordinary Shares shall have been quoted cum-dividend then:

- (a) if the Ordinary Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Ordinary Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Ordinary Share; or
- (b) if the Ordinary Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Ordinary Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of that dividend per Ordinary Share,

and provided further that if the Ordinary Shares on each of the said five Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Ordinary Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Ordinary Share;

**“Fair Market Value”** means, with respect to any assets, security, option, warrants or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by the Independent Financial Adviser; provided that: (A) the fair market value of a cash dividend paid or to be paid per Ordinary Share shall be the amount of such cash dividend per Ordinary Share determined as at the date of announcement of such Dividend; and (B) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent Financial Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the



relevant market immediately prior to the date on which the Fair Market Value is to be determined and, if no such period is available, the period of five trading days on the relevant market commencing on the first such trading day such options, warrants or other rights are publicly traded;

**“Independent Financial Adviser”** means an independent financial institution of international repute appointed at its own expense by the Issuer;

**“Relevant Price”** means the product of the Current Market Price and 0.95; and

**“Trading Day”** means a day when the SGX-ST or, as the case may be, an Alternative Stock Exchange is open for dealing business, provided that if no closing price is reported in respect of the relevant Ordinary Shares on the SGX-ST or, as the case may be, the Alternative Stock Exchange for one or more consecutive dealing days, such day or days will be disregarded in any relevant calculation and shall be deemed not to have existed when ascertaining any period of dealing days.

## **6. REDEMPTION AND PURCHASE**

### **6.1. No Fixed Redemption Date**

The Securities are perpetual capital securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 10) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 6. Any date fixed for redemption under this Condition 6 may not occur within 15 days of the end of a Conversion Closed Period but otherwise may occur when the Conversion Right is expressed in these Conditions to be exercisable.

### **6.2. Redemption at the Option of the Issuer**

The Securities may be redeemed at the option of the Issuer in whole or in part, on or after 30 November 2019 on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders. Any such redemption of Securities shall be at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption.

All Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Securities, the notice to Securityholders shall also specify the principal amount of Securities drawn and the holder(s) of such Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer, subject to compliance with any applicable laws. So long as the Securities are listed on any stock exchange, the Issuer shall comply with the rules of such stock exchange in relation to the publication of any redemption of such Securities.

### 6.3. Redemption for Taxation Reasons

The Securities may be redeemed at the option of the Issuer in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if:

- (a) the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:
  - (i) the Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the Income Tax Act, Chapter 134 of Singapore ("ITA") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or
  - (ii) the Distributions (including any Arrears of Distribution) will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or
- (b)
  - (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax;
  - (ii) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued, becomes effective or is made public otherwise on or after the Issue Date; and
  - (iii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it (which shall not require the Issuer to incur unreasonable costs),

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6.3, the Issuer shall deliver or procure that there is delivered to the Trustee and the Paying Agent (unless waived by the Trustee and/or the Paying Agent):

- (A) a certificate signed by a director or duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of such conditions precedent; and
- (B) an opinion of the Issuer's independent legal, tax or other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment referred to above or (in the case of a notice of redemption pursuant to Condition 6.3(a)) the ruling by the Comptroller of Income Tax in Singapore (or other relevant authority).

Upon the expiry of any such notice as is referred to in this Condition 6.3, the Issuer shall be bound to redeem the Securities in accordance with this Condition 6.3.

#### 6.4. Redemption for Accounting Reasons

The Securities may be redeemed at the option of the Issuer in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if, as a result of any changes or amendments to the International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS or otherwise adopted by the Issuer for the purposes of the consolidated financial statements of the Issuer (the "**Relevant Accounting Standard**"), the Securities will not or will no longer be recorded as "equity" of the Issuer pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 6.4, the Issuer shall deliver or procure that there is delivered to the Trustee and the Paying Agent (unless waived by the Trustee and/or the Paying Agent):

- (a) a certificate, signed by a director or duly authorised signatory of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances and the Trustee shall be entitled to accept such certificate as sufficient evidence that such circumstances prevail; and
- (b) an opinion of the Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard has taken effect or is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 6.4, the Issuer shall be bound to redeem the Securities in accordance with this Condition 6.4.

#### 6.5. Redemption for Tax Deductibility

The Securities may be redeemed at the option of the Issuer in whole or in part, at any time on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if:

- (a) the Issuer receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the Distributions (including any Arrears of Distribution) will not be regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA; or
- (b) as a result of:
  - (i) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having the power to tax;
  - (ii) any change in, or amendment to, the application or official interpretation of any such laws, regulations, rulings or other administrative pronouncements by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued, becomes effective or is made public otherwise on or after the Issue Date; or

- (iii) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced before the Issue Date,

the Distributions (including any Arrears of Distribution) by the Issuer are no longer, or would no longer be, regarded as sums “payable by way of interest upon any money borrowed” for the purpose of Section 14(1)(a) of the ITA.

Prior to the publication of any notice of redemption pursuant to this Condition 6.5, the Issuer shall deliver or procure that there is delivered to the Trustee and the Paying Agent (unless waived by the Trustee and/or the Paying Agent):

- (A) a certificate, signed by a director or a duly authorised signatory of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances and the Trustee shall be entitled to accept such certificate as sufficient evidence that such circumstances prevail; and
- (B) an opinion of the Issuer’s independent legal, tax or other professional advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime has taken effect or is due to take effect or (in the case of a notice of redemption pursuant to Condition 6.5(a)) the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority).

Upon the expiry of any such notice as is referred to in this Condition 6.5, the Issuer shall be bound to redeem the Securities in accordance with this Condition 6.5.

#### 6.6. Redemption in the case of Minimal Outstanding Amount

The Securities may be redeemed at the option of the Issuer in whole or in part, at any time on giving not less than 30 nor more than 60 days’ irrevocable notice to the Securityholders, the Trustee and the Paying Agent, at their specified denomination or integral multiples thereof, together with unpaid Distribution (including any unpaid Arrears of Distribution) accrued to (but excluding) the date fixed for redemption, if, before giving such notice, the aggregate principal amount of the Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued (including any Further Securities issued).

Upon expiry of any such notice as is referred to in this Condition 6.6, the Issuer shall be bound to redeem all the Securities in accordance with this Condition 6.6.

#### 6.7. Purchases

The Issuer and/or any of its subsidiaries may at any time purchase Securities at any price in the open market or otherwise. The Securities so purchased, while held by or on behalf of the Issuer or any such subsidiary, shall not entitle the holder to exercise any Conversion Right.

#### 6.8. Cancellation

All Securities purchased by or on behalf of the Issuer and/or any of its subsidiaries may be held, resold or surrendered for cancellation by surrendering the Certificate representing such Securities to the Registrar and, in each case, if so surrendered, shall, together with all Securities redeemed by the Issuer, be cancelled forthwith. Any Securities or Certificates so surrendered for cancellation may not be reissued or resold.

## 7. PAYMENTS

### 7.1. Principal and Distribution

- (a) Payments of principal will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar and in the manner provided in Condition 7.1(b).
- (b) Distribution (including any Arrears of Distribution) on Securities shall be paid to the person shown on the Register at the close of business on the fifth business day before the due date for payment thereof (the "**Record Date**"). Payments of Distribution (including any Arrears of Distribution) on each Security shall be made by a Singapore dollar cheque and mailed to the holder (or to the first named of joint holders) of such Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or the Transfer Agent before the Record Date, such payment of Distribution (including any Arrears of Distribution) may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

### 7.2. Payments subject to law etc.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Securityholders in respect of such payments.

### 7.3. Appointment of Agents

The Agents initially appointed by the Issuer and their respective specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Paying Agent, (ii) a Conversion Agent, (iii) a Transfer Agent, (iv) a Calculation Agent and (v) a Registrar, each having a specified office in Singapore.

Notice of any such change or any change of any specified office will be given by the Issuer to the Securityholders in accordance with Condition 15.

The Agency Agreement may be amended by the Issuer, the Paying Agent, the Registrar, the Conversion Agent, the Calculation Agent and the Trustee, without the consent of any Securityholder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Paying Agent, the Registrar, the Conversion Agent, the Calculation Agent and the Trustee may mutually deem necessary or desirable and which does not, in the opinion of the Issuer, Paying Agent, the Registrar, the Conversion Agent, the Calculation Agent and the Trustee, adversely affect the interest of the Securityholders.

### 7.4. Delay in Payment

Securityholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Security if the due date is not a business day, if the Securityholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7.1(b) arrives after the due date for payment.

#### 7.5. Non-business days

Subject as otherwise provided in these Conditions, if any date for the payment in respect of any Security is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such delay.

### 8. TAXATION

All payments of principal and Distributions (including any Arrears of Distribution) by or on behalf of the Issuer in respect of the Securities shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Securityholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Security presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Security or the receipt of any sums due in respect of such Security (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore);
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (c) by or on behalf of a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence but fails to do so.

As used in these Conditions, "**Relevant Date**" in respect of any Security means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made.

### 9. PRESCRIPTION

Claims against the Issuer for payment in respect of the Securities shall be prescribed and become void unless made within three years from the appropriate Relevant Date for payment.

### 10. NON-PAYMENT

#### 10.1. Non-payment when due

Notwithstanding any of the provisions below in this Condition 10, the right to institute proceedings for winding-up of the Issuer is limited to circumstances where payment under the Securities has become due. In the case of any Distribution or Arrears of Distribution, such payment will not be due if the Issuer has elected to defer that payment pursuant to Condition 4, provided that nothing in this Condition 10, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Securities or the Trust Deed.

## 10.2. Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the bankruptcy, winding-up, liquidation, receivership or similar proceedings of the Issuer or (ii) the Issuer fails to pay the principal of or any Distributions (including any Arrears of Distribution) on any of the Securities when due and such failure continues for a period of 10 business days (together, the “**Enforcement Events**”), the Issuer shall be deemed to be in default under the Trust Deed and the Securities and the Trustee may, subject to the provisions of Condition 10.4, institute proceedings for the winding-up of the Issuer and/or prove in the winding-up of the Issuer and/or claim in the liquidation of the Issuer for such payment.

## 10.3. Enforcement

Without prejudice to Condition 10.2 but subject to the provisions of Condition 10.4, the Trustee may without further notice to the Issuer institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Securities or the Trust Deed including the delivery of Ordinary Shares upon exercise of Conversion Rights prior to the commencement of the winding-up of the Issuer in accordance with Condition 5 (other than any payment obligation of the Issuer under or arising from the Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution) in respect of the Securities including any damages awarded for breach of any obligations) and in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

## 10.4. Entitlement of Trustee

The Trustee shall not be obliged to take any of the actions referred to in Condition 10.2 or Condition 10.3 against the Issuer to enforce the terms of the Trust Deed or the Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Securityholders or so requested in writing by Securityholders holding not less than 25 per cent. in principal amount of the Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

## 10.5. Right of Securityholders

No Securityholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Securityholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 10.

## 10.6. Extent of Securityholders' remedy

No remedy against the Issuer, other than as referred to in this Condition 10, shall be available to the Trustee or the Securityholders, whether for the recovery of amounts owing in respect of the Trust Deed or the Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Trust Deed or the Securities (as applicable).

## **11. MEETING OF SECURITYHOLDERS AND MODIFICATIONS**

The Trust Deed contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Securities (including these Conditions insofar as the same may apply to such Securities) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Securityholders holding not less than one-tenth of the principal amount of the Securities for the time being outstanding, and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Securityholders. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Securityholders, whether present or not, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Securities or any date for payment of principal or Distributions (including any Arrears of Distribution) on the Securities, (b) to reduce or cancel the principal amount of, or any Distributions (including any Arrears of Distribution) payable on redemption of, the Securities, (c) to reduce the Distribution Rate in respect of the Securities or to vary the method or basis of calculating the Distribution Rate or the basis for calculating any amount of Distribution in respect of the Securities, (d) to vary any method of, or basis for, calculating the amounts in the nature of principal payable pursuant to Condition 6, (e) to vary the currency or currencies of payment or denomination of the Securities, (f) to take any steps that may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify or cancel the Conversion Rights in Condition 5, (h) to amend the subordination provisions of the Securities or (i) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Securityholders (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

## **12. REPLACEMENT OF SECURITIES AND CERTIFICATES**

If a Security or Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar, or at the specified office of such other Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders in accordance with Condition 15, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Security, or Certificate is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Security or Certificate) and otherwise as the Issuer may require. Mutilated or defaced Securities or Certificates must be surrendered before replacements will be issued.

## **13. FURTHER ISSUES**

The Issuer may from time to time without the consent of the Securityholders create and issue further perpetual securities either having the same terms and conditions as the Securities in all respects, or in all respects except for the issue date, the issue price and/or the first payment of Distributions on them, and so that such further issue shall be consolidated and form a single series with the outstanding perpetual securities of any series (including the Securities) or upon terms as the Issuer may determine at the time of their issue (the "**Further Securities**"), and references in these Conditions to "**Securities**" shall be construed accordingly. References in these Conditions to the Securities include (unless



the context requires otherwise) any Further Securities forming a single series with the Securities. Any Further Securities forming a single series with the outstanding securities of any series (including the Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Securityholders and the holders of securities of other series where the Trustee so decides.

#### **14. INDEMNIFICATION OF THE TRUSTEE**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee or any corporation related to it to enter into business transactions with the Issuer or any of its subsidiaries without accounting to the Securityholders for any profit resulting from such transactions.

Each Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and the Trustee shall not at any time have any responsibility for the same and each Securityholder shall not rely on the Trustee in respect thereof.

#### **15. NOTICES**

Notices to Securityholders will be valid if either (i) for so long as the Securities are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST at <http://www.sgx.com> or (ii) published in a leading English language newspaper having general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

*Until such time as any definitive Securities are issued, so long as the Global Certificate is issued in the name of CDP, notices to Securityholders will only be valid if despatched by uninsured post to persons who are for the time being shown in the records of CDP as the holders of the Securities or, if the rules of CDP so permit, delivered to CDP for communication by it to the Securityholders, except that if the Securities are listed on the SGX-ST and the rules of the SGX-ST so require, notice will in any event be considered valid if published in accordance with the preceding paragraph. Any such notice shall be deemed to have been given to the Securityholders on the fourth day after the day of despatch or (as the case may be) on which the said notice was given to CDP.*

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Securityholders are known to the Issuer, notices to such Securityholders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

#### **16. GOVERNING LAW AND JURISDICTION**

##### **16.1. Governing Law**

The Trust Deed and the Securities are governed by, and shall be construed in accordance with, the laws of Singapore, save that clauses 2.2 to 2.5 of the Trust Deed and Condition 3 shall be governed by, and construed in accordance with, the laws of the Cayman Islands.

## 16.2. Jurisdiction

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed and any Securities and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Securities, (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

## 17. PROCESS AGENT

The Issuer has irrevocably appointed FS Chengdu No. 1 Pte. Ltd. (presently at 8 Robinson Road, #03-00, ASO Building, Singapore 048544) as its authorised agent for service of process in Singapore. If for any reason such agent shall cease to be such agent for service of process, the Issuer shall forthwith appoint a new agent for service of process in Singapore and deliver to the Trustee a copy of the new agent’s acceptance of that appointment within 30 days. Nothing in the Trust Deed or any term or condition of the Securities shall affect the right to serve process in any other manner permitted by law.

## 18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

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

### **Paying Agent, Calculation Agent**

Perpetual (Asia) Limited  
16 Collyer Quay #07-01  
Singapore 049318

### **Registrar, Transfer Agent, Conversion Agent**

Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)  
80 Robinson Road #11-02  
Singapore 068898

*This page has been intentionally left blank.*

## TERMS AND CONDITIONS OF THE WARRANTS

***The following, subject to amendment, are the Terms and Conditions of the Warrants, substantially as they will appear on the reverse of each of the definitive security certificates evidencing the Warrants (if issued):***

The warrants (the “**Warrants**”) to subscribe for new Ordinary Shares (as defined below) of First Sponsor Group Limited (the “**Issuer**”), are issued subject to the benefit of a deed poll (the “**Deed Poll**”) dated 31 May 2019 executed by the Issuer. The issue of the Warrants was authorised by resolutions of the Directors of the Issuer passed on 25 March 2019 and is made pursuant to the general mandate to issue shares and convertible securities of the Issuer obtained from shareholders of the Issuer (the “**Shareholders**”) at the Annual General Meeting of the Issuer held on 24 April 2019. As at the date of issue of the Warrants, approval in-principle has been obtained from the SGX-ST (as defined below) for dealing in, the listing of and quotation for up to 193,374,930 Warrants and up to 193,374,930 Warrant Exercise Shares (as defined below) arising from the exercise of the Warrants subject to, *inter alia*, a sufficient spread of holdings for the Warrants. The statements in these Terms and Conditions of the Warrants (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Deed Poll. Copies of the Deed Poll are available for inspection at the registered office for the time being of the Issuer and at the specified office of the warrant agent referred to in Condition 4.7 (the “**Warrant Agent**”) and the Warrantheolders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Deed Poll.

Terms used in the Conditions shall, unless herein expressly defined otherwise, have the same meanings as the expressions used in the Deed Poll.

### 1 DEFINITIONS

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

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

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

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

“**CDP**” and “**Depository**” means The Central Depository (Pte) Limited and any other corporation(s) which agrees with the Issuer to act as Depository in respect of the Warrants including its successors in title and where the context so requires, shall include any person specified by it in a notice given to the Issuer as its nominees;

“**Depositor**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA;

“**Designated Account**” means the account maintained by the Issuer with a bank in Singapore for the purpose of crediting moneys paid by exercising Warrantheolders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrantheolders;

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

**“Exercise Date”** means, in relation to the exercise of a Warrant, the Business Day on which the applicable conditions referred to in Condition 4.1 are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, provided that if any such day falls during a period when the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is closed, then the **“Exercise Date”** shall be earlier of the next Business Day on which the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is open and the Expiration Date;

**“Exercise Notice”** means a notice (in the form for the time being current and at present in the form of Schedules 3 or 4 of the Deed Poll, as the case may be, appended hereto) for the exercise of the Warrants, copies of which may be obtained from the Warrant Agent;

**“Exercise Period”** means the period during which the Warrants may be exercised commencing on (and including) the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding 60 months from the date of issue of the Warrants, but excluding such period(s) during which the Register may be closed pursuant to Condition 4.6 below, unless such date is a date on which the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is closed and/or is not a Market Day, in which event, the Expiration Date shall be the immediate preceding Market Day on which the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) remain open or the immediate preceding Market Day, as the case may be, subject to the Conditions as set out in this Deed Poll;

**“Exercise Price”** means, in respect of each Warrant, S\$1.30 for each Warrant Exercise Share, subject to adjustment in accordance with Condition 5 below;

**“Extraordinary Resolution”** means a resolution passed at a meeting of the Warrantholders duly convened and held in accordance with this Deed Poll by a majority of at least 75 per cent. of the votes cast;

**“Expiration Date”** means the last date of the Exercise Period, provided that if such last day falls on a day on which the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is closed and/or is not a Market Day, then the immediate preceding Market Day on which the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) remain open or the immediate preceding Market Day, as the case may be, subject to the Conditions;

**“Independent Financial Adviser”** means an independent financial institution of international repute appointed by the Issuer at its own expense, provided always that the Independent Financial Adviser shall not also be the Auditors;

**“Listing Rules”** means the Listing Manual of the SGX-ST, as amended or modified from time to time;

**“Market Day”** shall have the meaning ascribed to it in the Listing Rules;

**“Ordinary Shares”** means ordinary shares of par value US\$0.10 each in the capital of the Issuer, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer;

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

**“Register of Members”** means the Register of Members of the Issuer;

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

**“SFA”** means the Securities and Futures Act, Chapter 50 of Singapore, as amended or modified from time to time;

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

**“Share Transfer Books”** means the share transfer books of the Issuer;

**“Specified Instrument”** means an option or a warrant issued by the Issuer which:

- (a) carries the right to subscribe for, purchase or otherwise acquire any security issued by the Issuer which is convertible into an Ordinary Share at an initial conversion price which is equal to the initial exercise price of such option or warrant, (and if applicable) subject to adjustments to the exercise price or the conversion price in accordance with the terms of such option, warrant or security, as the case may be; and
- (b) has an initial exercise price which is not less than the Relevant Price (as defined in Condition 5.2(d)) on the date of the announcement of the terms of the issue of such option or warrant;

**“S\$”** means the lawful currency of the Republic of Singapore;

**“unexercised”** means, in relation to the Warrants, all the Warrants which have been issued pursuant to the Deed Poll for so long as the Warrants shall not have lapsed in accordance with Condition 3.2 or 7.2 other than (a) those which have been exercised in accordance with the Conditions, (b) those mutilated or defaced Warrants in respect of which replacement Warrants have been duly issued pursuant to Condition 10, and (c) for the purpose of ascertaining the number of Warrants unexercised at any time (but not for the purpose of ascertaining whether any Warrants are unexercised), those Warrants alleged to have been lost, stolen or destroyed and in respect of which replacement Warrants have been issued pursuant to Condition 10; Provided that for the purposes of (i) the right to attend and vote at any meeting of Warrantheolders and (ii) the determination of how many and which Warrants for the time being remain unexercised for the purposes of Condition 11 and paragraphs 1, 3, 4 and 8 of Schedule 5 of the Deed Poll, those Warrants (if any) which have not been exercised but have been lodged for exercise (whether or not the conditions precedent to such exercise have been or will be fulfilled) shall, unless and until withdrawn from lodgement, be deemed not to remain unexercised;

**“Warrant Agency Agreement”** means the warrant agency agreement dated 31 May 2019 appointing the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment;

**“Warrant Certificates”** means the certificates (in registered form) to be issued in respect of the Warrants substantially in the form set out in Schedule 1 of the Deed Poll, as from time to time modified in accordance with the provisions set out therein;

**“Warrant Exercise Shares”** means the new Ordinary Shares to be allotted and issued by the Issuer arising from the exercise of the relevant Warrants by a Warrantholder; and

**“Warrantholders”** means the registered holders of the Warrants, except that where the registered holder is the Depository, the term **“Warrantholders”** shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Account(s) with the Depository are credited with Warrants, Provided that for the purposes of Schedule 5 of the Deed Poll relating to meetings of Warrantholders, such Warrantholders shall mean those Depositors having Warrants credited to their Securities Account(s) as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of a meeting of Warrantholders supplied by the Depository to the Issuer. The word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly.

## **2 FORM AND TITLE**

2.1 The Warrants are issued in registered form. Title to the Warrants shall be transferable in accordance with Condition 9. The Warrant Agent shall maintain the Register on behalf of the Issuer and, except as required or provided by law:

- (a) the registered holder of the Warrants (other than the Depository); and
- (b) (where the registered holder of the Warrants is the Depository) the Depositor for the time being appearing in the Depository Register maintained by the Depository as having Warrants credited to its Securities Account(s),

will be deemed to be and be treated as the absolute owner thereof and as the holder of all the rights and interests in the number of Warrants so entered (whether or not the Issuer shall be in default in respect of the Warrants or its covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft of the relevant Warrant Certificate or any irregularity or error in the records of the Depository or any express notice to the Issuer or the Warrant Agent or any other related matters) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants.

2.2 If two or more persons are entered in the Register or the Depository Register (as the case may be) as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:

- (a) the Issuer shall not be bound to register more than two persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or administrators (or trustees) of the estate of a deceased Warrantholder where such executors or administrators are entered into the Depository Register;
- (b) joint holders of any Warrant whose names are entered in the Register or the Depository Register (as the case may be) shall be treated as one Warrantholder;
- (c) the Issuer shall not be bound to issue more than one Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register or the Depository Register (as the case may be) shall be sufficient delivery to all; and
- (d) the joint holders of any Warrant whose names are entered in the Register or the Depository Register (as the case may be) shall be, jointly and severally, liable severally in respect of all payments which ought to be made in respect of such Warrants as well as in connection with their exercise of any such Warrant. No fraction of a share shall be allotted.

### 3 EXERCISE RIGHTS

- 3.1 Each Warrantholder shall have the right, by way of exercise of a Warrant, at any time during normal business hours on any Business Day during the Exercise Period in the manner set out in Condition 4 and otherwise on the terms of and subject to the Conditions set out below, to subscribe for one (1) Warrant Exercise Share at the Exercise Price, subject to adjustments in accordance with Condition 5, on the Exercise Date applicable to such Warrant. The Exercise Price shall, on the Exercise Date, be applied towards payment for the Warrant Exercise Share to be issued on the exercise of the relevant Warrant. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Issuer. No payments shall be refunded and no fraction of an Ordinary Share shall be allotted.
- 3.2 At the expiry of the Exercise Period, any Warrant which has not been exercised in accordance with Condition 4 will lapse and cease to be valid for any purpose. The right to exercise the Warrants will not be extended beyond the Expiration Date.
- 3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.
- 3.4 Warrant Exercise Shares allotted and issued upon exercise of the Warrants shall be fully paid and, save for any dividends, rights, allocations or other distributions that may be declared or paid, the Record Date for which is before the relevant Exercise Date of the Warrants, shall rank *pari passu* in all respects with the then existing Ordinary Shares of the Issuer. For the purpose of this Condition 3.4, "**Record Date**" means, in relation to any dividends, rights, allocations or other distributions, the date as at the close of business (or such other time as may have been notified by the Issuer) on which Shareholders must be registered with the Issuer or CDP, as the case may be, in order to establish their entitlement to and participate in such dividends, rights, allocations or other distributions.
- 3.5 The Issuer shall, not later than one (1) month before the expiry of the Exercise Period:
- (a) give notice to the Warrantholders in accordance with Condition 12 of the expiry of the Exercise Period and make an announcement of the same to the SGX-ST; and
  - (b) take reasonable steps to dispatch to the Warrantholders notices in writing to their addresses recorded in the Register or the Depository Register, as the case may be, of the expiry of the Exercise Period.

Without prejudice to the generality of the foregoing, Warrantholders who acquire Warrants after notice of the expiry of the Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with Condition 12. For the avoidance of doubt, neither the Issuer nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser or transferee of the Warrants to be aware of or to receive such notification.



## **4 PROCEDURE FOR EXERCISE OF WARRANTS**

### **4.1 Lodgement Conditions**

- (a) In order to exercise one or more Warrants, a Warrantholder must, before 3.00 p.m. on any Business Day and before 5.00 p.m. on the Expiration Date during the Exercise Period, fulfill the following conditions:
- (i) lodgement of the relevant Warrant Certificate registered in the name of the exercising Warrantholder or Depository (as the case may be) for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, Provided that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;
  - (ii) the furnishing of such evidence (if any, including evidence of nationality) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise ensure the due exercise of the Warrants;
  - (iii) the payment or satisfaction of the Exercise Price in accordance with the provisions of Condition 4.2 below;
  - (iv) the payment of deposit or other fees for the time being chargeable by, and payable to, the Depository (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
  - (v) if applicable, (1) the payment of any fees for certificates for the Warrant Exercise Shares to be issued, (2) the payment of the expenses of, and the submission of any necessary documents required in order to effect the registration of the Warrant Exercise Shares in the name of the exercising Warrantholder or the Depository (as the case may be) and (3) the payment of the expenses of the delivery of certificates for the Warrant Exercise Shares upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to the Depositor (as the case may be).
- (b) Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on that number of Warrants so exercised being available in the "Free Balance" of the Securities Account of the exercising Warrantholder with the Depository and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the Warrant Exercise Shares arising from the exercise of the relevant Warrants to be effected by crediting such Warrant Exercise Shares to the Securities Account(s) of the exercising Warrantholder.
- (c) An Exercise Notice which does not comply with the applicable conditions referred to in Conditions 4.1(a) and 4.1(b) shall be void for all purposes. Warrantholders whose Warrants are registered in the name of the Depository irrevocably authorise the Issuer and the Warrant Agent to obtain from the Depository and to rely upon such information and documents as the Issuer or the Warrant Agent deems necessary to satisfy itself that all the applicable conditions referred to in Conditions 4.1(a) and 4.1(b) have been fulfilled and such other information as the Issuer or the Warrant Agent may require in

accordance with these Conditions and the Deed Poll and to take such steps as may be required by the Depository in connection with the operation of the Securities Account of any Warrantholder. Provided that the Issuer and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantholder as a result of or in connection with reliance by the Issuer, the Warrant Agent or any other persons upon the records of and information supplied by the Depository.

- (d) Once all the applicable conditions referred to in Conditions 4.1(a) and 4.1(b) (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any moneys tendered in or towards payment of the Exercise Price in accordance with Condition 4.2 below may not be withdrawn without the consent in writing of the Issuer.

#### **4.2 Payment of Exercise Price**

Payment of the Exercise Price shall be made to the specified office of the Warrant Agent by way of a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore for the credit of the Designated Account for the full amount of the Exercise Price payable in respect of the Warrants exercised, Provided that any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to below and shall comply with any exchange control or other statutory requirement for the time being applicable.

Each such payment shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (a) the name of the exercising Warrantholder; (b) the certificate numbers of the relevant Warrant Certificates in respect of the Warrants being exercised or, if the relevant Warrant Certificates are registered in the name of CDP, the Securities Account(s) of the exercising Warrantholder which is to be debited with the Warrants being exercised; and (c) the number of Warrants tendered for exercise.

If the payment advice fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Issuer, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may accordingly be delayed or treated as invalid and neither the Warrant Agent nor the Issuer shall be liable to the Warrantholder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Designated Account (subject to Condition 4.4 below) unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 in an amount sufficient to cover the deficiency provided that the Issuer will not be held responsible for any loss arising from any retention of such payment by the Warrant Agent.

#### 4.3 **Exercise Date**

A Warrant shall (provided the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date which shall be the Business Day (falling within the Exercise Period) on which all the applicable conditions for and provisions relating to the exercise of the Warrant have been fulfilled or, if fulfilled on different dates, the last of such dates provided that if any Warrant is exercised on a date when the Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is closed, the Exercise Date shall be the earlier of the next Business Day on which such Register of Members, the Share Transfer Books, the Register and/or the Depository Register (as the case may be) is open and the Expiration Date.

The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of instructions as to the cancellation of the Warrants and the said Warrant Certificates.

#### 4.4 **Designated Account**

Payment of the Exercise Price received by the Warrant Agent shall be deposited to the Designated Account on the Business Day after the Exercise Date relating to the relevant Warrants in payment for the Warrant Exercise Shares to be delivered in consequence of the exercise of such Warrants.

If payment of the Exercise Price is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount payable under Condition 4.1 or the conditions set out in Condition 4.1 or Condition 4.2 have not then all been fulfilled in relation to the exercise of such Warrants, pending recognition of such payment or full payment or, as the case may be, fulfilment of the conditions set out in Conditions 4.1 and 4.2, such payment will (if the Exercise Date in respect of such Warrants had not by then occurred) be returned, without interest, to the Warrantholder on (i) the 14th day after receipt of such Exercise Notice by the Warrant Agent, or (ii) the expiry of the Exercise Period, whichever is the earlier. So long as the relevant Exercise Date has not occurred, any such payment (excluding any interest, if any, accrued thereon) will continue to belong to the Warrantholder but may only be withdrawn within the above-mentioned 14 days period with the prior consent in writing of the Issuer.

The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable), and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice, together with such payment, after receipt of the same from the Issuer, to the exercising Warrantholder at the risk and expense of such Warrantholder. The Issuer will, upon receipt of notification from the Warrant Agent of any unsuccessful exercise of Warrants, forward such payment to the Warrant Agent for it to be returned to the exercising Warrantholder. The Issuer will be entitled to deduct or otherwise recover from the exercising Warrantholder any applicable handling charges and out-of-pocket expenses of the Warrant Agent.

#### 4.5 Allotment of new Ordinary Shares and Issue of Balancing Warrant Certificates

A Warrantholder exercising Warrants which are registered in the name of the Depository must elect in the Exercise Notice to have the delivery of the Warrant Exercise Shares arising from the exercise of such Warrants effected by crediting such Warrant Exercise Shares to the Securities Account of such Warrantholder as specified in the Exercise Notice.

A Warrantholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Warrant Exercise Shares arising from the exercise of such Warrants or to have the delivery of such Warrant Exercise Shares effected by crediting such Warrant Exercise Shares to his Securities Account(s) with the Depository (in which case such Warrantholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository), and failing such election, such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such Warrant Exercise Shares at his address specified in the Register.

The Issuer shall allot and issue the Warrant Exercise Shares arising from the exercise of the relevant Warrants by a Warrantholder and deliver such Warrant Exercise Shares in accordance with the terms herein and the instructions of such Warrantholder as set out in the Exercise Notice and:

- (a) where such Warrantholder has (or is deemed to have) elected in the Exercise Notice to receive physical certificates in respect of the Warrant Exercise Shares arising from the exercise of the relevant Warrants, the Issuer shall despatch the physical certificates, as soon as practicable but in any event not later than seven (7) Market Days after the relevant Exercise Date, by ordinary post to the address specified in the Exercise Notice (or the Register, as the case may be) and at the risk of such Warrantholder; and
- (b) where the delivery of Warrant Exercise Shares arising from the exercise of the relevant Warrants is to be effected by the crediting of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice, the Issuer shall as soon as practicable but not later than three (3) Market Days after the relevant Exercise Date despatch the certificates relating to such Warrant Exercise Shares in the name of, and to the Depository for the credit of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice.

Where a Warrantholder exercises part only (but not all) of the exercise rights represented by Warrants registered in his name, the Warrant Agent shall despatch a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice (or, failing which, to his address specified in the Register) and at the risk of that Warrantholder.

Where a Warrantholder exercises part only (but not all) of the exercise rights represented by Warrants which are registered in the name of the Depository, the number of Warrants represented by the Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

#### 4.6 Register of Warrantholders

The Warrant Agent shall maintain a register (the “**Register**”) containing particulars of the Warrantholders (other than Warrantholders who are Depositors) and such other information relating to the Warrants as the Issuer may require. The Register (and the Depository Register) may be closed during such periods when the Register of Transfers and/or Register of Members of the Issuer is deemed to be closed or during such other period as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants under Condition 5 or during such period as the Issuer may determine. Notice of the closure of the Register and (if applicable) the Depository Register will be given to the Warrantholders in accordance with Condition 12.

Except as required by law or as ordered by a court of competent jurisdiction, the Issuer and the Warrant Agent shall be entitled to rely on the Register (where the registered holder of a Warrant is a person other than the Depository) or the Depository Register (where the Depository is the registered holder of a Warrant) or any statement or certificate issued by the Depository to the Issuer or any Warrantholder (as made available to the Issuer and/or the Warrant Agent) to ascertain the identity of the Warrantholders or the number of Warrants to which any such Warrantholders are entitled, to give effect to the exercise of the subscription rights constituted by the Warrants and for all other purposes in connection with the Warrants (whether or not the Issuer shall be in default in respect of the Warrants or any of the terms and conditions contained herein or in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any claim on or loss or theft or forgery of any Warrant or Warrant Certificate).

#### 4.7 Warrant Agent

The name of the initial Warrant Agent and its specified office is set out below. The Issuer reserves the right at any time to vary or terminate the appointment of the Warrant Agent and to appoint an additional or another Warrant Agent, provided that it will at all times maintain a Warrant Agent having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent shall be given to the Warrantholders in accordance with Condition 12.

Warrant Agent:

**Tricor Barbinder Share Registration Services**  
**(a division of Tricor Singapore Pte. Ltd.)**  
80 Robinson Road #11-02  
Singapore 068898

### 5 ADJUSTMENTS OF EXERCISE PRICE AND NUMBER OF WARRANTS

5.1 The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted by the Directors in consultation with an Independent Financial Adviser and certified to be in accordance with Condition 5.2 by the Auditors. The Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

- (a) any consolidation or subdivision of the Ordinary Shares;
- (b) an issue by the Issuer of Ordinary Shares credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature) to its members (“**Members**”) (other than an issue of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash or other dividend);

- (c) a Capital Distribution (as defined below) made by the Issuer to its Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);
- (d) an offer or invitation made by the Issuer to its Members whereunder they may acquire or subscribe for Ordinary Shares by way of rights at less than the Relevant Price (as defined below) for each Ordinary Share; or
- (e) an issue (otherwise than pursuant to (i) a rights issue available to all Members, requiring an adjustment under Condition 5.1(d), and (ii) an issue of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash as dividend) by the Issuer of Ordinary Shares if the Total Effective Consideration (as defined below) for each Ordinary Share is less than 90% of the Current Market Price (as defined below) for each Ordinary Share (calculated as provided below),

provided always that the Exercise Price shall not be less than the nominal or par value of an Ordinary Share.

5.2 Subject to these Conditions and the Deed Poll, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of Conditions 5.1(a) to 5.1(e) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Independent Financial Adviser shall determine):

- (a) If, and whenever, a consolidation or subdivision of the Ordinary Shares occurs, the Exercise Price shall be adjusted in the following manner:–

$$\text{New Exercise Price} = \frac{A}{B1} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{B1}{A} \times W$$

where:

“**A**” the aggregate number of issued and fully paid up Ordinary Shares immediately before such consolidation or subdivision;

“**B1**” the aggregate number of issued and fully paid up Ordinary Shares immediately after such consolidation or subdivision;

“**X**” existing Exercise Price; and

“**W**” existing number of Warrants held.

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

- (b) If, and whenever the Issuer shall make any issue of Ordinary Shares to its Members (other than an issue of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B2} \times X$$

$$\text{Adjusted number of Warrants} = \frac{A + B2}{A} \times X$$

where:

“**A**” the aggregate number of issued and fully paid-up Ordinary Shares immediately before such capitalisation issue;

“**B2**” the aggregate number of Ordinary Shares to be issued pursuant to any allotment to Members (other than an allotment of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);

“**X**” as in X above; and

“**W**” as in W above.

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

For the purpose of this Condition 5, “**record date**” in relation to the relevant transaction means the date as at the close of business on which Members must be registered as such to participate therein.

- (c) If, and whenever, the Issuer shall make a Capital Distribution (as defined below) to Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets), then the Exercise Price shall be adjusted in the following manner:

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

where:

“**C**” the Current Market Price on the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement), on the date of the Capital Distribution;

“**D**” the fair market value, as determined by an Independent Financial Adviser (with the concurrence of the Auditors), of that portion of the Capital Distribution attributable to one Ordinary Share; and

“**X**” as in X above.

For the purposes of Conditions 5.1(c) and 5.2(c), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Ordinary Shares (not falling under Condition 5.2(b) above) or other securities (other than an issue of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash or other dividends) credited as fully or partly paid-up by way of capitalisation of profits or reserves.

Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Issuer or any of its subsidiaries on or before the date of such distribution and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

For the purpose of this Condition 5:

“**Alternative Stock Exchange**” means at any time, in the case of the Ordinary Shares, if they are not at that time listed and traded on the SGX-ST, the principal stock exchange or securities market on which the Ordinary Shares are then listed or quoted or dealt in;

“**Current Market Price**” means, in respect of an Ordinary Share at a particular time on a particular date, the average of the closing prices quoted by the SGX-ST or, as the case may be, by the Alternative Stock Exchange for one Ordinary Share (being an Ordinary Share carrying full entitlement to dividend) for the five consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that if at any time during the said five Trading Day period the Ordinary Shares shall have been quoted ex-dividend and during some other part of that period the Ordinary Shares shall have been quoted cum-dividend then:

- (i) if the Ordinary Shares to be issued in such circumstances do not rank for the dividend in question, the quotations on the dates on which the Ordinary Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Ordinary Share; or
- (ii) if the Ordinary Shares to be issued in such circumstances rank for the dividend in question, the quotations on the dates on which the Ordinary Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of that dividend per Ordinary Share,

and provided further that if the Ordinary Shares on each of the said five Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Ordinary Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Ordinary Share;

“**Fair Market Value**” means, with respect to any assets, security, option, warrants or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by the Independent Financial Adviser; provided that: (A) the fair market value of a cash dividend paid or to be paid per Ordinary Share shall be the amount of such cash dividend per Ordinary Share determined as at the date of announcement of such dividend; and (B) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Independent



Financial Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five Trading Days on the relevant market immediately prior to the date on which the Fair Market Value is to be determined and, if no such period is available, the period of five Trading Days on the relevant market commencing on the first such Trading Day such options, warrants or other rights are publicly traded; and

**“Trading Day”** means a day when the SGX-ST or, as the case may be, an Alternative Stock Exchange is open for dealing business, provided that if no closing price is reported in respect of the relevant Ordinary Shares on the SGX-ST or, as the case may be, the Alternative Stock Exchange for one or more consecutive dealing days, such day or days will be disregarded in any relevant calculation and shall be deemed not to have existed when ascertaining any period of dealing days.

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

- (d) If, and whenever, the Issuer shall make any offer or invitation to its Members whereunder they may acquire or subscribe for Ordinary Shares by way of rights at less than the Relevant Price (as defined below) on the date of the announcement of the terms of such offer or invitation, then the Exercise Price shall be adjusted in the following manner:

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

and the number of Warrants shall be adjusted in the following manner:

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

where:

**“E”** the Current Market Price on the date on which the offer or invitation referred to in this Condition 5.2(d) is publicly announced to the SGX-ST or (failing any such announcement) on the date of the offer or invitation;

**“X”** as in X above;

**“W”** as in W above; and

**“F”** the value of rights attributable to one Ordinary Share, which shall be calculated in accordance with the formula:

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

where:

**“E”** as in E above;

**“G”** the subscription price of one additional Ordinary Share under the offer or invitation to acquire or subscribe for Ordinary Shares by way of rights;

“H” the number of Ordinary Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Ordinary Share by way of rights; and

“1” one.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such offer or invitation. For the purpose of this paragraph, “closing date” shall mean the date by which acceptance of and payment for the Ordinary Shares are to be made under the terms of such offer or invitation.

For the purpose of this Condition 5, “Relevant Price” means the product of the Current Market Price and 0.95.

- (e) If, and whenever, the Issuer makes any allotment to its Members as provided in Condition 5.2(b) above and also makes any offer or invitation to its Members as provided in Condition 5.2(d) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and/or the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(I \times E) + (J \times G)}{(I + J + B2) \times E} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(I + J + B2) \times E}{(I \times E) + (J \times G)} \times W$$

where:

“B2” as in B2 above;

“E” as in E above;

“G” as in G above;

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

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

“W” as in W above; and

“X” as in X above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such offer or invitation. For the purpose of this paragraph, “closing date” shall mean the date by which acceptance of and payment for the Ordinary Shares are to be made under the terms of such offer or invitation.

- (f) If, and whenever, (otherwise than pursuant to a rights issue available to all Members alike and requiring an adjustment under Conditions 5.2(d) or 5.2(e) and other than an issue of Ordinary Shares to Members who elect to receive Ordinary Shares in lieu of cash or other dividend), the Issuer shall issue any Ordinary Shares and the Total Effective Consideration for each Ordinary Share (as defined below) is less than ninety per cent (90%) of the Current Market Price on the SGX-ST on the date on which the issue price of such Ordinary Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

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

where:

- “**K**” the number of Ordinary Shares in issue at the close of business on the SGX-ST on the day immediately preceding the date on which the relevant adjustment becomes effective;
- “**L**” the number of Ordinary Shares which the Total Effective Consideration (as defined below) would have purchased at such Current Market Price (exclusive of expenses);
- “**M**” the aggregate number of Ordinary Shares so issued; and
- “**X**” as in X above.

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

For the purposes of Conditions 5.1(e) and 5.2(f), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Independent Financial Adviser and shall be the aggregate consideration receivable by the Issuer on payment in full for such Ordinary Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Ordinary Share**” shall be the Total Effective Consideration divided by the number of Ordinary Shares issued as aforesaid.

5.3 Notwithstanding any of the provisions contained in Condition 5.1 and 5.2, no adjustment to the Exercise Price and/or the number of Warrants will be required in respect of:

- (a) an issue by the Issuer of Ordinary Shares or other securities convertible into or right to acquire or subscribe for Ordinary Shares to officers, including directors, or employees of the Issuer or any of its subsidiaries, related corporations or associated companies pursuant to any purchase or option scheme or performance share plan approved by the Members in general meeting;
- (b) an issue by the Issuer of Ordinary Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;

- (c) any issue by the Issuer of the Series 2 Convertible Securities (as defined in the Deed Poll), Ordinary Shares pursuant to the conversion of any of the Series 2 Convertible Securities, Ordinary Shares pursuant to the exercise of any of the Warrants and/or any Specified Instrument;
  - (d) any issue by the Issuer of securities convertible into Ordinary Shares or rights to acquire or subscribe for Ordinary Shares and the issue of Ordinary Shares arising from the conversion or exercise of such securities or rights; and
  - (e) any purchase by the Issuer of Ordinary Shares.
- 5.4 Any adjustment to the Exercise Price will be rounded to the nearest whole multiple of S\$0.005 and in no event shall any adjustment involve an increase in the Exercise Price (other than upon the consolidation of Ordinary Shares into shares of a larger par value). No adjustment to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5 by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment. In the event that the Exercise Price as determined is less than the nominal or par value of an Ordinary Share, the Exercise Price shall be the nominal or par value of an Ordinary Share.
- 5.5 Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless (i) it has been certified to be in accordance with Condition 5 by the Auditors and (ii) if the Warrants are listed and quoted on the SGX-ST on the Market Day immediately before such adjustment, approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Warrants as may be issued pursuant to such adjustment and such additional Ordinary Shares as may be issued on the exercise of any of such Warrants.
- 5.6 Notwithstanding the provisions referred to in this Condition 5, in any circumstance where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Issuer may appoint an Independent Financial Adviser to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Independent Financial Adviser shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified, or an adjustment made instead of no adjustment in such manner as shall be considered by such Independent Financial Adviser to be in its opinion appropriate.
- 5.7 Whenever there is an adjustment as herein provided, the Issuer shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at its registered office a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any

Warrantholder. Whenever an adjustment involves an increase in the number of Warrants, the Issuer will, as soon as practicable but not later than five (5) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, at his address appearing in the Register or, in respect of Warrants registered in the name of the Depository, to the Depository.

- 5.8 If the Directors, the Independent Financial Adviser and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Independent Financial Adviser acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.
- 5.9 If the Issuer shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Ordinary Shares, the Issuer shall appoint an Independent Financial Adviser to consider whether any adjustment is appropriate and if such Independent Financial Adviser and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- 5.10 Any new Warrants which may be issued by the Issuer under this Condition 5 shall be part of the same series of Warrants constituted by the Deed Poll, and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as the Directors may from time to time think fit including but not limited to the terms and conditions as set out herein for the Warrants.
- 5.11 Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of the SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantholders shall be required for such buy-back of any classes of shares and there shall be no adjustments to the Exercise Price and/or the number of Warrants by reason of such buy-back of any classes of shares.
- 5.12 In giving any certificate or making any adjustment hereunder, the Independent Financial Adviser shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- 5.13 Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants other than in accordance with the provisions of this Condition 5 shall be subject to the approval of the SGX-ST (if required) and agreed to by the Issuer, the Independent Financial Adviser and/or the Auditors.
- 5.14 In the event any adjustment to the Exercise Price and/or the number of Warrants held by each Warrantholder is proposed or required to be made pursuant to the Deed Poll, the relevant party or parties, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Issuer from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards applicable to the Issuer as at the date of execution of the Deed Poll, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per share value of such adjustment cannot exceed the per share value of the dilution to the Warrantholder's interest in the equity of the Issuer (based on the Ordinary Shares comprised in the unexercised Warrants held by such Warrantholder) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

## **6 STATUS OF ALLOTTED SHARES**

The Warrant Exercise Shares allotted and issued upon the exercise of the Warrants shall be fully paid and will rank *pari passu* in all respects with the then existing Ordinary Shares save for any dividends, rights, allocations and other distributions that may be declared or paid, the Record Date for which is before the relevant Exercise Date of the Warrants. For the purpose of this Condition 6, “**Record Date**” means, in relation to any dividends, rights, allocations or other distributions, the date as at the close of business (or such other time as may have been notified by the Issuer) on which Members must be registered with the Issuer or CDP, as the case may be, in order to establish their entitlement to and participate in such dividends, rights, allocations or other distributions.

## **7 WINDING-UP OF THE ISSUER**

- 7.1 (a) In the event a notice is given by the Issuer to its Members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Issuer, the Issuer shall on the same date as or soon after it dispatches such notice to its Members give notice thereof to the Warrantheolders and thereupon, each Warrantheolder shall be entitled to exercise all or any of his Warrants at any time not later than two (2) Business Days prior to the proposed general meeting in accordance with Condition 4 whereupon the Issuer shall, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Warrant Exercise Shares to the Warrantheolder credited as fully paid; and
- (b) If a resolution is passed for a members’ voluntary winding-up of the Issuer, then if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheolders, or some person designated by them for such purpose by Extraordinary Resolution, shall be a party, the terms of such scheme of arrangement shall be binding on all the Warrantheolders.
- 7.2 Subject to the foregoing, if the Issuer is wound-up for any reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

## **8 FURTHER ISSUES**

Subject to these Conditions, the Issuer shall be at liberty to issue Ordinary Shares to Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Issuer sees fit but the Warrantheolders shall not have any participating rights in such issue unless otherwise resolved by the Issuer in general meeting or in the event of a takeover offer to acquire Ordinary Shares.

## **9 TRANSFER OF WARRANTS**

- 9.1 Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling a Warrantheolder to subscribe for whole numbers of Warrant Exercise Shares and so that no person shall be recognised by the Issuer as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Warrant Exercise Share or otherwise than as the sole or joint holder of the entirety of such Warrant Exercise Share. In order to transfer Warrants, the Warrantheolder must fulfil the following conditions:
- (a) lodgement during normal business hours of the relevant Warrant Certificate(s) registered in the name of the Warrantheolder at the specified office of the Warrant Agent together with an instrument of transfer in respect thereof, in the form approved by the

Issuer from time to time (the “**Transfer Form**”), in any usual or common form or such other form as may be approved by the Issuer, duly completed and signed by or on behalf of the Warrantholder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty provided that the Issuer and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;

- (b) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warrantholder;
  - (c) the payment of the registration fee of S\$2.00 (or such other amount as may be determined by the Directors) (subject to goods and services tax at the prevailing rate) for every Warrant Certificate issued; and
  - (d) the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee.
- 9.2 If the Transfer Form has not been fully or correctly completed by the Warrantholder or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Warrantholder accompanied by written notice of the omission(s) and/or error(s) and requesting the Warrantholder to complete and/or amend the Transfer Form and/or to make the requisite payment.
- 9.3 If the Transfer Form has been fully and correctly completed the Warrant Agent shall, as agent for and on behalf of the Issuer:
- (a) register the person named in the Transfer Form as transferee in the Register as the registered holder of the Warrant in place of the Warrantholder;
  - (b) cancel the Warrant Certificate(s) in the name of the Warrantholder; and
  - (c) issue new Warrant Certificate(s) in respect of the Warrants in the name of the transferee.
- 9.4 Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Issuer shall deliver or cause to be delivered to the Warrantholder at the cost of the Warrantholder a Warrant Certificate in the name of the Warrantholder in respect of any Warrants not transferred.
- 9.5 Each Warrantholder shall be deemed to remain the registered holder of the Warrants registered in his name until the name of the transferee is entered in the Register by the Warrant Agent or the Depository Register by the Depository, as the case may be.
- 9.6 The executors or administrators of a deceased registered Warrantholder (not being one of several joint holders) where such executors or administrators are entered into the Depository Register and, in the case of the death of one or more of several registered joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Issuer and the Warrant Agent as having any title to the Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the payment of such fees and expenses referred to in this Condition 9 be entitled to be registered as a Warrantholder or to make such transfer as the deceased Warrantholder could have made.

- 9.7 With respect to the Warrants registered in the name of the Depository, any transfer of such Warrants shall be effected subject to and in accordance with these terms and conditions, applicable law and the rules of the Depository as amended from time to time and where Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book-entry. A Depositor shall be deemed to remain a Warrantheader of the Warrants until the name of the transferee is entered in the Depository Register by the Depository.

## **10 REPLACEMENT OF WARRANT CERTIFICATES**

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

## **11 MEETINGS OF WARRANTHOLDERS AND MODIFICATION**

- 11.1 The Deed Poll contains provisions for convening meetings of the Warrantheaders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Issuer or by Warrantheaders holding not less than 10 per cent. of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing over 50 per cent. of the Warrants for the time being unexercised, or at any adjourned meeting two (2) or more persons being or representing Warrantheaders whatever the number of Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Deed Poll (including cancelling the subscription rights constituted by the Warrants), the necessary quorum for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing not less than 75 per cent., or at any adjournment of such meeting, over 25 per cent., of the Warrants for the time being remaining unexercised. An Extraordinary Resolution duly passed at any meeting of Warrantheaders shall be binding on all Warrantheaders, whether or not they are present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantheaders.
- 11.2 The Issuer may, without the consent of the Warrantheaders but in accordance with the terms and conditions of the Deed Poll, effect any modification to the Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Issuer:
- (a) is not materially prejudicial to the interests of the Warrantheaders;
  - (b) is of a formal, technical or minor nature;
  - (c) is to correct a manifest error or to comply with mandatory provisions of Singapore law;
- or



- (d) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Warrant Exercise Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Issuer's securities on the SGX-ST.

Any such modification shall be binding on the Warrantheolders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

Without prejudice to any other provisions herein, any material alteration to the terms and conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to the Shareholders must be approved by the Shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants.

## **12 NOTICES**

- 12.1 Subject to Condition 12.2, notices to Warrantheolders will be valid if either (i) for so long as the Warrants are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST at <http://www.sgx.com> or (ii) published in a leading English language newspaper having general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.
- 12.2 *Where the registered holder is CDP, notices to Warrantheolders will only be valid if despatched by uninsured post to persons who are for the time being shown in the records of CDP as the holders of the Warrants or, if the rules of CDP so permit, delivered to CDP for communication by it to the Warrants, except that if the Warrants are listed on the SGX-ST and the rules of the SGX-ST so require, notice will in any event be considered valid if published in accordance with the preceding paragraph. Any such notice shall be deemed to have been given to the Warrantheolders on the fourth day after the day of despatch or (as the case may be) on which the said notice was given to CDP.*
- 12.3 Notwithstanding the other provisions of this Condition 12, in any case where the identity and addresses of all the Warrantheolders are known to the Issuer, notices to such Warrantheolders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.
- 12.4 The Issuer shall, not later than one (1) month before the Expiration Date, give notice to the Warrantheolders in accordance with this Condition 12, of the Expiration Date and make an announcement of the same to the SGX-ST. The Issuer shall also, not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantheolders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Warrants are registered in the name of CDP, their addresses as shown in the records of CDP. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.
- 12.5 Without prejudice to the generality of the foregoing, Warrantheolders who acquire Warrants after notice of the Expiration Date has been given in accordance with these Conditions shall be deemed to have notice of the expiry of the Exercise Period so long as such notice has been given in accordance with this Condition 12. For the avoidance of doubt, neither the Issuer nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Warrants to be aware of or to receive such notification.

### **13 WARRANT AGENT NOT ACTING FOR WARRANTHOLDERS**

In acting under the Warrant Agency Agreement, the Warrant Agent is (subject to the terms and conditions thereof) acting as agent for the Issuer and does not assume any obligation or duty to or any relationship or trust for the Warrantheolders.

### **14 GOVERNING LAW AND JURISDICTION**

#### **14.1 Governing Law**

The Deed Poll and the Warrants are governed by, and shall be construed in accordance with, the laws of Singapore.

#### **14.2 Jurisdiction**

The courts of Singapore are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Deed Poll and the Warrants and accordingly any legal action or proceedings arising out of or in connection with the Deed Poll and the Warrants, (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

### **15 PROCESS AGENT**

The Issuer has irrevocably appointed FS Chengdu No. 1 Pte. Ltd. (presently at 8 Robinson Road, #03-00, ASO Building, Singapore 048544) as its authorised agent for service of process in Singapore. If for any reason such agent shall cease to be such agent for service of process, the Issuer shall forthwith appoint a new agent for service of process in Singapore and deliver to the Warrant Agent a copy of the new agent’s acceptance of that appointment within 30 days. Nothing in the Deed Poll or any term or condition of the Warrants shall affect the right to serve process in any other manner permitted by law.

#### **Notes:**

- (1) The attention of Warrantheolders is drawn to Rule 14 of The Singapore Code on Take-overs and Mergers and Sections 139 and 140 of the Securities and Futures Act, Chapter 289 of Singapore, as amended from time to time. In general terms, these provisions regulate the acquisition of effective control of public companies. Warrantheolders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warrantheolder should note that he may be under an obligation to extend a take-over offer for the Issuer if:
  - (a) he intends to acquire, by the exercise of the Warrants or otherwise, whether at one time or different times, Ordinary Shares which (together with Ordinary Shares owned or acquired by him or persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of the Issuer; or
  - (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights of the Issuer, and either alone or together with persons acting in concert, intends to acquire additional Ordinary Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one per cent. (1%).
- (2) The attention of Warrantheolders is drawn to Condition 4.1 and 4.2 of the Warrants relating to restrictions on the exercise of the Warrants.

A Warrantheolder who, after exercise of this Warrant, has an interest in not less than five per cent. (5%) of the aggregate of the number of the voting shares in the Issuer or (if he already holds not less than five per cent. (5%) in the manner as aforesaid) increases his percentage shareholding in the Issuer, so as to result in his aggregate percentage shareholding in the Issuer crossing the next discrete whole number, is under an obligation to (a) notify the Issuer of his interest in the manner set out in sections 82 and 83 of the Companies Act (Chapter 50) of Singapore; and (b) notify the SGX-ST of his interest in the manner set out in sections 135, 136 and 137 of the Securities and Futures Act (Chapter 289) of Singapore.

*This page has been intentionally left blank.*

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS OF THE GROUP FOR  
FY2016, FY2017, FY2018, 1Q2018 AND 1Q2019**

	Group				
	← Audited →			← Unaudited →	
	FY2016 (restated) <sup>(1)</sup> S\$'000	FY2017 S\$'000	FY2018 S\$'000	1Q2018 S\$'000	1Q2019 S\$'000
Revenue	199,051	384,392	277,361	47,804	45,340
Cost of sales	(147,300)	(231,360)	(115,861)	(17,148)	(12,978)
<b>Gross profit</b>	51,751	153,032	161,500	30,656	32,362
Administrative expenses	(27,008)	(24,146)	(27,997)	(6,048)	(9,393)
Selling expenses	(5,633)	(5,319)	(7,782)	(1,492)	(1,572)
Other (expenses)/income (net)	(24,468)	(13,998)	3,257	403	2,858
Other gains/(losses) (net)	98,335	(56)	2,838	–	3,063
<b>Results from operating activities</b>	92,977	109,513	131,816	23,519	27,318
Finance income	21,262	17,082	17,132	3,895	3,713
Finance costs	(8,128)	(9,010)	(9,902)	(2,153)	(3,978)
<b>Net finance income/(costs)</b>	13,134	8,072	7,230	1,742	(265)
Share of after-tax results of associated companies and joint ventures	12,278	3,648	5,502	(3,367)	5,020
<b>Profit before tax</b>	118,389	121,233	144,548	21,894	32,073
Tax expense	(3,473)	(27,940)	(26,298)	(4,658)	(8,150)
<b>Profit for the year/period</b>	114,916	93,293	118,250	17,236	23,923
<b>Attributable to:</b>					
Equity holders of the Company	113,089	88,283	113,008	17,122	23,804
Non-controlling interests	1,827	5,010	5,242	114	119
<b>Profit for the year/period</b>	114,916	93,293	118,250	17,236	23,923
<b>Dividends per Share (tax-exempt (one-tier)) (cents)</b>					
– interim	1.00	1.00	1.00	–	–
– final	1.00	1.20	1.30	–	–
<b>Earnings per Share (cents)</b>					
– basic <sup>(2)</sup>	17.43	13.61	16.72	2.64	3.43
– diluted <sup>(3)</sup>	17.43	13.61	15.02	2.64	2.99

**Notes:**

(1) Following a business review in FY2017, the interest income from loans extended to the Group's associated companies was classified as part of its property financing income given that such income would be earned on a recurrent basis. The associated financing costs for such loans are also re-classified to cost of sales.

In addition, interest income from counterparties in respect of the CCSs taken up to hedge the Group's investments in its subsidiaries previously offset against the corresponding interest costs incurred on the Group's borrowings, has been re-classified as finance income. Accordingly, the consolidated statement of profit or loss for FY2016 has been restated to reflect the re-classification.

- (2) Calculated based on the weighted average number of 648,795,981 Shares, 648,795,981 Shares, 648,717,196 Shares, 648,795,981 Shares and 649,487,766 Shares, for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019, respectively. The weighted average number of Shares for FY2018 and 1Q2019 excludes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company, since August 2018 which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with *IAS 32 Financial Instruments: Presentation*.
- (3) Calculated based on the weighted average number of 648,795,981 Shares, 648,795,981 Shares, 752,440,409 Shares, 648,795,981 Shares and 795,942,036 Shares, for FY2016, FY2017, FY2018, 1Q2018 and 1Q2019, respectively. The weighted average number of Shares for FY2018 and 1Q2019 excludes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company, since August 2018 which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with *IAS 32 Financial Instruments: Presentation*.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE  
GROUP FOR FY2016, FY2017, FY2018, 1Q2018 AND 1Q2019**

	← Audited →			← Unaudited →	
	FY2016 S\$'000	FY2017 S\$'000	FY2018 S\$'000	1Q2018 S\$'000	1Q2019 S\$'000
<b>Profit for the year/period</b>	114,916	93,293	118,250	17,236	23,923
<b>Other comprehensive income</b>					
<b>Items that are or may be re-classified subsequently to profit or loss:</b>					
Foreign currency translation differences arising from liquidation of subsidiaries re-classified to profit or loss	-	-	1,187	-	-
Realisation of foreign currency translation differences arising from dilution of interests in subsidiaries (net of tax) re-classified to profit or loss	(3,618)	-	-	-	-
Share of translation differences on financial statements of foreign associated companies and joint ventures, net of tax	(203)	893	(1,589)	424	(18)
Translation differences on financial statements of foreign subsidiaries, net of tax	(45,177)	(16,574)	(22,464)	13,945	7,878
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	(2,522)	(1,470)	(1,486)	720	385
Net change in fair value of other investments, net of tax	-	(3,949)	-	-	-
<b>Total other comprehensive income for the year/period, net of tax</b>	<b>(51,520)</b>	<b>(21,100)</b>	<b>(24,352)</b>	<b>15,089</b>	<b>8,245</b>
<b>Total comprehensive income for the year/period</b>	<b>63,396</b>	<b>72,193</b>	<b>93,898</b>	<b>32,325</b>	<b>32,168</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company	61,647	67,361	88,912	32,123	32,314
Non-controlling interests	1,749	4,832	4,986	202	(148)
<b>Total comprehensive income for the year/period</b>	<b>63,396</b>	<b>72,193</b>	<b>93,898</b>	<b>32,325</b>	<b>32,168</b>

*This page has been intentionally left blank.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP  
AS AT 31 DECEMBER 2018 AND 31 MARCH 2019**

	Group	
	As at 31 December 2018 (Audited) S\$'000	As at 31 March 2019 (Unaudited) S\$'000
<b>Non-current assets</b>		
Property, plant and equipment	170,435	258,874
Investment properties	259,135	201,194
Interests in associated companies and joint ventures	80,817	85,158
Derivative assets	19,385	32,099
Other investments	78,131	78,855
Deferred tax assets	33,387	32,963
Right-of-use assets	–	77,340
Trade and other receivables	660,948	768,410
	1,302,238	1,534,893
<b>Current assets</b>		
Development properties	356,890	366,020
Inventories	215	456
Trade and other receivables	505,887	354,117
Assets held-for-sale	51,610	87,992
Other investments	39,262	219,702
Cash and cash equivalents	125,711	106,502
	1,079,575	1,134,789
<b>Total assets</b>	2,381,813	2,669,682
<b>Equity</b>		
Share capital	81,405	82,048
Reserves	1,069,091	1,104,014
<b>Equity attributable to owners of the Company</b>	1,150,496	1,186,062
<b>Perpetual convertible capital securities</b>	161,285	156,068
<b>Non-controlling interests</b>	11,713	13,111
<b>Total equity</b>	1,323,494	1,355,241



	<b>Group</b>	
	<b>As at 31 December 2018 (Audited) S\$'000</b>	<b>As at 31 March 2019 (Unaudited) S\$'000</b>
<b>Non-current liabilities</b>		
Loans and borrowings	641,390	731,949
Derivative liabilities	5,564	2,631
Other payables	12,527	14,575
Lease liabilities	–	77,303
Deferred tax liabilities	8,638	8,651
	668,119	835,109
<b>Current liabilities</b>		
Loans and borrowings	45,338	63,623
Current tax payables	36,994	40,921
Trade and other payables	138,381	209,037
Contract liabilities	161,279	161,196
Receipts in advance	8,208	2,038
Lease liabilities	–	2,189
Liabilities held-for-sale	–	145
Derivative liabilities	–	183
	390,200	479,332
<b>Total liabilities</b>	1,058,319	1,314,441
<b>Total equity and liabilities</b>	2,381,813	2,669,682

**CONSOLIDATED STATEMENT OF CASH FLOWS OF THE GROUP  
FOR FY2018 AND 1Q2019**

	<b>FY2018 (Audited) S\$'000</b>	<b>1Q2019 (Unaudited) S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the year/period	118,250	23,923
Adjustments for:		
Depreciation of property, plant and equipment	6,172	1,267
Depreciation of right-of-use assets	–	892
Fair value (gain)/loss (net) on:		
– derivative assets/liabilities (net)	(30,761)	(15,464)
– investment properties	(6,930)	–
– other investments	(12,850)	(336)
Finance income	(17,132)	(3,713)
Finance costs	9,902	3,978
(Gain)/loss on disposal of:		
– a subsidiary	(1)	–
– assets held-for-sale	(6,253)	(3,063)
– investment properties	(272)	–
– property, plant and equipment	1	–
Impairment loss on:		
– assets held-for-sale	4,088	–
– property, plant and equipment	14,053	–
Loss on liquidation of subsidiaries (net)	85	–
Property, plant and equipment written off	1	–
Share of after-tax profit of associated companies and joint ventures	(5,502)	(5,020)
Tax expense	26,298	8,150
Write down of development properties	3,153	–
	<hr/> 102,302	<hr/> 10,614
Changes in:		
Development properties	24,172	(11,814)
Inventories	(42)	7
Trade and other receivables	(458,197)	100,426
Trade and other payables	(126,488)	(39,385)
Loans and borrowings	128,173	40,480
Contract liabilities	(12,226)	(1,531)
	<hr/>	<hr/>
<b>Cash (used in)/generated from operating activities</b>	<b>(342,306)</b>	<b>98,797</b>
Interest received	80,705	22,233
Interest paid	(13,054)	(4,296)
Tax paid	(22,074)	(1,438)
	<hr/>	<hr/>
<b>Net cash (used in)/generated from operating activities</b>	<b>(296,729)</b>	<b>115,296</b>

	<b>FY2018</b> <b>(Audited)</b> <b>S\$'000</b>	<b>1Q2019</b> <b>(Unaudited)</b> <b>S\$'000</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries, net of cash acquired	–	(69,384)
Deposits received in respect of sale of a subsidiary	– <sup>(1)</sup>	–
Deposits received in respect of disposal of assets held-for-sale	6,839	2,397
Dividends received from an associated company	18,295	–
Dividend received from a joint venture	–	164
Deposits placed for acquisition of subsidiaries	–	(30,105)
Interest received	15,366	1,181
Payment for acquisition of other investments	(3,395)	(152)
Placement of other investments	(1,427)	(179,727)
Payment for investment in an associated company and joint ventures	(36,778)	–
Payment for additions to:		
– investment properties	(15,851)	(5,009)
– property, plant and equipment	(421)	(16,227)
Proceeds from disposal of:		
– assets held-for-sale	29,665	27,007
– investment properties	3,278	–
– property, plant and equipment	68	–
Return of capital from an associated company	5,369	–
Repayment of loans by an associated company	–	273
<b>Net cash generated from/(used in) investing activities</b>	<b>21,008</b>	<b>(269,582)</b>
<b>Cash flows from financing activities</b>		
Advances from associated companies	3,009	57,312
Distributions to holders of Series 1 Convertible Securities	(4,541)	–
Dividends paid to the owners of the Company	(14,271)	–
Interest paid	(5,038)	(805)
Payment of transaction costs related to:		
– bank borrowings	(3,153)	(900)
– Series 1 Convertible Securities	(672)	–
Proceeds from bank borrowings	293,551	151,720
Proceeds from disposal of a subsidiary	– <sup>(1)</sup>	–
Proceeds from issuance of Series 1 Convertible Securities	162,199	–
Repayment of bank borrowings	(345,950)	(73,628)
<b>Net cash generated from financing activities</b>	<b>85,134</b>	<b>132,175</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(190,587)</b>	<b>(22,111)</b>
Cash and cash equivalents at beginning of the year/period	319,298	125,711
Effect of exchange rate changes on balances held in foreign currencies	(3,000)	2,902
<b>Cash and cash equivalents at end of the year/period</b>	<b>125,711</b>	<b>106,502</b>

**Note:**

(1) Amount less than S\$1,000.

## PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS BY RIGHTS ISSUE ENTITLED DEPOSITORS

### 1. INTRODUCTION

- 1.1 Rights Issue Entitled Depositors are entitled to receive this Offer Information Statement, the Product Highlights Sheet and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Rights Issue Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service.
- 1.2 The Rights are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions in the ARE.

The number of Series 2 Convertible Securities with Warrants provisionally allotted to each Rights Issue Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Rights Issue Entitled Depositors for the Rights Issue have been credited by CDP with the provisional allotments of Series 2 Convertible Securities with Warrants as indicated in the ARE. Rights Issue Entitled Depositors may accept their provisional allotments of Series 2 Convertible Securities with Warrants (in full or in part) and are eligible to apply for Series 2 Convertible Securities with Warrants in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Series 2 Convertible Securities with Warrants and payment for excess Series 2 Convertible Securities with Warrants are set out in this Offer Information Statement as well as the ARE.

- 1.3 If a Rights Issue Entitled Depositor wishes to accept his provisional allotments of Series 2 Convertible Securities with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Series 2 Convertible Securities with Warrants, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. A Rights Issue Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account is not credited with, or is credited with less than the relevant number of Series 2 Convertible Securities with Warrants accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

**A RIGHTS ISSUE ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENTS OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE A RIGHTS ISSUE ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.**

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Series 2 Convertible Securities with Warrants and/or excess Series 2 Convertible Securities with Warrants or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Series 2 Convertible Securities with Warrants and/or excess Series 2 Convertible Securities with Warrants which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants, and where applicable, application for excess Series 2 Convertible Securities with Warrants in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by a Rights Issue Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Rights Issue Entitled Depositor. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Series 2 Convertible Securities with Warrants.

- 1.4 SRS investors who had purchased Shares using their SRS Accounts and who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such investors who wish to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants on their behalf. Such investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of the Series 2 Convertible Securities with Warrants directly from the market.

- 1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Rights Issue Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## 2. MODE OF ACCEPTANCE AND APPLICATION

### 2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Series 2 Convertible Securities with Warrants provisionally allotted or (if applicable) to apply for excess Series 2 Convertible Securities with Warrants will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix H** to this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

**IF A RIGHTS ISSUE ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF A RIGHTS ISSUE ENTITLED DEPOSITOR WHO HAS ACCEPTED THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.**

### 2.2 Acceptance/Application through CDP

If the Rights Issue Entitled Depositor wishes to accept the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Series 2 Convertible Securities with Warrants provisionally allotted to him which he wishes to accept and the number of excess Series 2 Convertible Securities with Warrants applied for and in Part C(ii) of the ARE the six digits of the Cashier's Order/Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Series 2 Convertible Securities with Warrants accepted and (if applicable) excess Series 2 Convertible Securities with Warrants applied for:
  - (i) by hand to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or

- (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Series 2 Convertible Securities with Warrants accepted and (if applicable) excess Series 2 Convertible Securities with Warrants applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – FIRST SPONSOR RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Rights Issue Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

### **2.3 Acceptance through the SGX-SFG Service (for Depository Agents only)**

Depository Agents may accept the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed and submitted to CDP.

### **2.4 Insufficient Payment**

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotments of Series 2 Convertible Securities with Warrants accepted by the Rights Issue Entitled Depositor and (if applicable) the excess Series 2 Convertible Securities with Warrants applied for by the Rights Issue Entitled Depositor; the attention of the Rights Issue Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix G which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Series 2 Convertible Securities with Warrants in relation to the Rights Issue.

### **2.5 Acceptance of Part of the Provisional Allotments of Series 2 Convertible Securities with Warrants and Trading of Provisional Allotments of Series 2 Convertible Securities with Warrants**

A Rights Issue Entitled Depositor may choose to accept his provisional allotments of Series 2 Convertible Securities with Warrants specified in the ARE in full or in part. If a Rights Issue Entitled Depositor wishes to accept part of his provisional allotments of Series 2 Convertible Securities with Warrants and trade the balance of his provisional allotments of Series 2 Convertible Securities with Warrants on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Series 2 Convertible Securities with Warrants provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

- (b) accept and subscribe for that part of his provisional allotments of Series 2 Convertible Securities with Warrants by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotments of Series 2 Convertible Securities with Warrants may be sold as soon as dealings therein commence on the SGX-ST.

Rights Issue Entitled Depositors who wish to trade all or part of their provisional allotments of Series 2 Convertible Securities with Warrants on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Series 2 Convertible Securities with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 100 Series 2 Convertible Securities with Warrants, or any other board lot size which the SGX-ST may require. Such Rights Issue Entitled Depositors may start trading in their provisional allotments of Series 2 Convertible Securities with Warrants as soon as dealings therein commence on the SGX-ST. Rights Issue Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

## **2.6 Sale of Provisional Allotments of Series 2 Convertible Securities with Warrants**

The ARE need not be forwarded to the purchasers of the provisional allotments of Series 2 Convertible Securities with Warrants (“**Purchasers**”) as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Series 2 Convertible Securities with Warrants may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement, the Product Highlights Sheet and the accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the provisional allotments of Series 2 Convertible Securities with Warrants, this Offer Information Statement, the Product Highlights Sheet and the accompanying documents might not be despatched in time for the acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants. You may obtain a copy from CDP. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents (including the Product Highlights Sheet) will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident. Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the provisional allotments of Series 2 Convertible Securities credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Purchasers of Rights are also advised to note the offering, selling and transfer restrictions set forth in the Section titled “**Offering, Selling and Transfer Restrictions**” of this Offer Information Statement.



**PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS ON THEIR BEHALF.**

## **2.7 Renunciation of Provisional Allotments of Series 2 Convertible Securities with Warrants**

Rights Issue Entitled Depositors who wish to renounce in full or in part their provisional allotments of Series 2 Convertible Securities with Warrants in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Series 2 Convertible Securities with Warrants which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three Market Days to effect such renunciation, Rights Issue Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Series 2 Convertible Securities with Warrants. The last time and date for acceptance of the Rights and payment for the Series 2 Convertible Securities with Warrants by the renounee is **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made through CDP) or **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made by way of an Electronic Application through an ATM of a Participating Bank).

## **3. COMBINATION APPLICATION**

In the event that the Rights Issue Entitled Depositor or the Purchaser accepts his provisional allotments of Series 2 Convertible Securities with Warrants by way of the ARE and/or the ARS and/or has applied for excess Series 2 Convertible Securities with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Rights Issue Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Series 2 Convertible Securities with Warrants provisionally allotted to him and/or application for excess Series 2 Convertible Securities with Warrants (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

**4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE SERIES 2 CONVERTIBLE SECURITY WITH WARRANT FOR EVERY SEVEN EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$1.30)**

As an illustration, if a Rights Issue Entitled Depositor has 7,000 Shares standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, the Rights Issue Entitled Depositor will be provisionally allotted 1,000 Series 2 Convertible Securities with Warrants as set out in his ARE. The Rights Issue Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

**Alternatives**

(a) Accept his entire provisional allotment of 1,000 Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants.

**Procedures to be taken**

- (1) Accept his entire provisional allotment of 1,000 Series 2 Convertible Securities with Warrants and (if applicable) apply for excess Series 2 Convertible Securities with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 1,000 Series 2 Convertible Securities with Warrants and (if applicable) the number of excess Series 2 Convertible Securities with Warrants applied for and forward the original signed ARE together with a single remittance for S\$1,300.00 (or, if applicable, such higher amount in respect of the total number of Series 2 Convertible Securities with Warrants accepted and excess Series 2 Convertible Securities with Warrants applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP – FIRST SPONSOR RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Rights Issue Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

## Alternatives

(b) Accept a portion of his provisional allotment of Series 2 Convertible Securities with Warrants, for example 500 provisionally allotted Series 2 Convertible Securities with Warrants, not apply for excess Series 2 Convertible Securities with Warrants and trade the balance on the SGX-ST.

(c) Accept a portion of his provisional allotment of Series 2 Convertible Securities with Warrants, for example 500 provisionally allotted Series 2 Convertible Securities with Warrants, and reject the balance.

## Procedures to be taken

- (1) Accept his provisional allotment of 500 Series 2 Convertible Securities with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 500 Series 2 Convertible Securities with Warrants, and forward the original signed ARE, together with a single remittance for S\$650.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 500 Series 2 Convertible Securities with Warrants, which is not accepted by the Rights Issue Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Rights Issue Entitled Depositors should note that the provisional allotments of Series 2 Convertible Securities with Warrants would be tradable in the Unit Share Market, each board lot comprising provisional allotments size of 100 Series 2 Convertible Securities with Warrants or any other board lot size which the SGX-ST may require.

- (1) Accept his provisional allotment of 500 Series 2 Convertible Securities with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 500 Series 2 Convertible Securities with Warrants, and forward the original signed ARE, together with a single remittance for S\$650.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 500 Series 2 Convertible Securities with Warrants which is not accepted by the Rights Issue Entitled Depositor will automatically lapse and cease to be available for acceptance by the Rights Issue Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 24 May 2019** or if an acceptance is not made through CDP by **5.00 p.m. on 24 May 2019**.

## 5. TIMING AND OTHER IMPORTANT INFORMATION

### 5.1 Timing

**THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS IN RELATION TO THE RIGHTS ISSUE IS:**

**(A) 9.30 P.M. ON 24 MAY 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK.**

**(B) 5.00 P.M. ON 24 MAY 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS IS MADE THROUGH CDP OR THE SGX-SFG SERVICE; AND**

If acceptance of and (if applicable) excess application and payment for the Series 2 Convertible Securities with Warrants in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Rights Issue Entitled Depositor or Purchaser, the provisional allotments of Series 2 Convertible Securities with Warrants shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned or refunded by CDP for and on behalf of the Company to the Rights Issue Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE RIGHTS ISSUE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

**IF A RIGHTS ISSUE ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

### 5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix G, a Rights Issue Entitled Depositor should note that:

- (a) by accepting his provisional allotments of Series 2 Convertible Securities with Warrants and/or applying for excess Series 2 Convertible Securities with Warrants, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Series 2 Convertible Securities with Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Series 2 Convertible Securities with Warrants as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form

for Series 2 Convertible Securities with Warrants in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Series 2 Convertible Securities with Warrants in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Series 2 Convertible Securities with Warrants provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Series 2 Convertible Securities with Warrants. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Rights Issue Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Series 2 Convertible Securities with Warrants in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Series 2 Convertible Securities with Warrants and (if applicable) his application for excess Series 2 Convertible Securities with Warrants, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Series 2 Convertible Securities with Warrants in relation to the Rights Issue made through CDP; and
- (c) in the event that the Rights Issue Entitled Depositor accepts the Series 2 Convertible Securities with Warrants provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Series 2 Convertible Securities with Warrants by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Rights Issue Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for excess Series 2 Convertible Securities with Warrants (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

### 5.3 Availability of Excess Series 2 Convertible Securities with Warrants

The excess Series 2 Convertible Securities with Warrants available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for excess Series 2 Convertible Securities with Warrants will, at the Directors' absolute discretion, be satisfied from such Series 2 Convertible Securities with Warrants as are not validly taken up by Rights Issue Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Series 2 Convertible Securities with Warrants together with the aggregated fractional entitlements to the Series 2 Convertible Securities with Warrants (if any) and any Series 2 Convertible Securities with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more excess Series 2 Convertible Securities with Warrants than are available, the excess Series 2 Convertible Securities with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of excess Series 2 Convertible Securities with Warrants, (i) preference will be given to the rounding of odd lots and (ii) Directors and Substantial Shareholders who have

control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board of Directors of the Company, including RHRL, MCHIL and TTAPL, will rank last in priority for the rounding of odd lots and allotment of Series 2 Convertible Securities with Warrants, pursuant to Rule 877(10) of Listing Manual. The Company reserves the right to refuse any application for excess Series 2 Convertible Securities with Warrants, in whole or in part, without assigning any reason whatsoever. In the event that the number of excess Series 2 Convertible Securities with Warrants allotted to a Rights Issue Entitled Depositor is less than the number of excess Series 2 Convertible Securities with Warrants applied for, the Rights Issue Entitled Depositor shall be deemed to have accepted the number of excess Series 2 Convertible Securities with Warrants actually allotted to him.

If no excess Series 2 Convertible Securities with Warrants are allotted or if the number of excess Series 2 Convertible Securities with Warrants allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Rights Issue Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Series 2 Convertible Securities with Warrants by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for excess Series 2 Convertible Securities with Warrants through CDP).

#### 5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants is made by Rights Issue Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Series 2 Convertible Securities with Warrants is effected by **9.30 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Series 2 Convertible Securities with Warrants accepted and (if applicable) excess Series 2 Convertible Securities with Warrants applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – FIRST SPONSOR RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of Rights Issue Entitled Depositors clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **FIRST SPONSOR GROUP LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Series 2 Convertible Securities with Warrants is effected by **5.00 p.m. on 24 May 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotments of Series 2 Convertible Securities with Warrants will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned or refunded to Rights Issue Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **RIGHTS ISSUE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

**ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.**

## **5.5 Certificates**

The global certificate for the Series 2 Convertible Securities will be registered in the name of CDP or its nominee and the certificate(s) for the relevant Warrants will be registered in the name of CDP. Upon the crediting of the Series 2 Convertible Securities and the Warrants, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Series 2 Convertible Securities and the Warrants credited to your Securities Account.

## **5.6 General**

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Series 2 Convertible Securities with Warrants provisionally allotted and credited to your Securities Account. You can verify the number of Series 2 Convertible Securities with Warrants provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Series 2 Convertible Securities with Warrants provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

**EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, YOUR ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS OF SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS AND (IF APPLICABLE) APPLICATION FOR EXCESS SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS IS IRREVOCABLE.**

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) your application for excess Series 2 Convertible Securities with Warrants through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

#### **CDP Phone User Guide**

1. Dial (65) 6535-7511
2. Press "1" for English; Press "2" for Mandarin
3. Press "1" for "All CDP account related queries"
4. Press "3" for "Corporate Actions Announcement and Transactions"
5. Press "2" for your rights application status
6. Enter your 12 digit CDP securities account number
7. Enter your six digit telephone pin

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

#### **5.7 Personal Data Privacy**

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, a Rights Issue Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, the SGX-ST and the Company (the "**Relevant Persons**") for the purpose of facilitating his application for the Series 2 Convertible Securities with Warrants, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.



# PROCEDURE TO COMPLETE THE ARE/ARS

## 1. Know your holdings and entitlement

### A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares  
currently held by you

XX,XXX

Shares as at  
**6 MAY 2019 AT 5.00 P.M.**  
(Rights Issue Books Closure Date)

Number of Series 2  
Convertible  
Securities with Warrants  
provisionally allotted\*

XX,XXX

Issue Price **S\$1.30** per Series 2 Convertible Security with Warrant

This is your shareholdings as at the Rights Issue Books Closure Date.

This is the date to determine your rights entitlements.

This is your number of rights entitlement.

This is the price that you need to pay when you subscribe for one Series 2 Convertible Security with Warrant.

## 2. Select your application options

### B. SELECT YOUR APPLICATION OPTIONS

**1. ATM** Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by **9.30 P.M. ON 24 MAY 2019**

Participating Banks are DBS Bank Ltd. (including POSB) and United Overseas Bank Limited.

**2. Mail** Complete the section below and submit this form to CDP by **5.00 P.M. ON 24 MAY 2019**

(i) Only **BANKER'S DRAFT/CASHIER'S ORDER** payable to "**CDP – FIRST SPONSOR RIGHTS ISSUE ACCOUNT**" will be accepted

(ii) Applications using a **PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER** will be rejected

(iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date and time to subscribe for the Series 2 Convertible Securities with Warrants through ATM and CDP.

You can apply for your Series 2 Convertible Securities with Warrants through ATMs of these Participating Banks.

This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the issuer.

**Note:** Please refer to the ARE/ARS for the actual holdings, entitlements, Rights Issue Books Closure Date, Issue Price, Closing Date, list of Participating Banks and payee name on the Cashier's Order.

# Declaration

## C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Series 2 Convertible Securities with Warrants Applied:  
(Provisionally Allotted+Excess Series 2 Convertible Securities with Warrants)

,  ,  ,

ii. Cashier's Order/Banker's Draft Details\*\*:  
(Input 6 digits of CO/BD)

Signature of Entitled Depositor(s)

Date

Fill in the total number of Series 2 Convertible Securities with Warrants and excess Series 2 Convertible Securities with Warrants (for ARE)/ number of Series 2 Convertible Securities with Warrants (for ARS) that you wish to subscribe within the boxes.

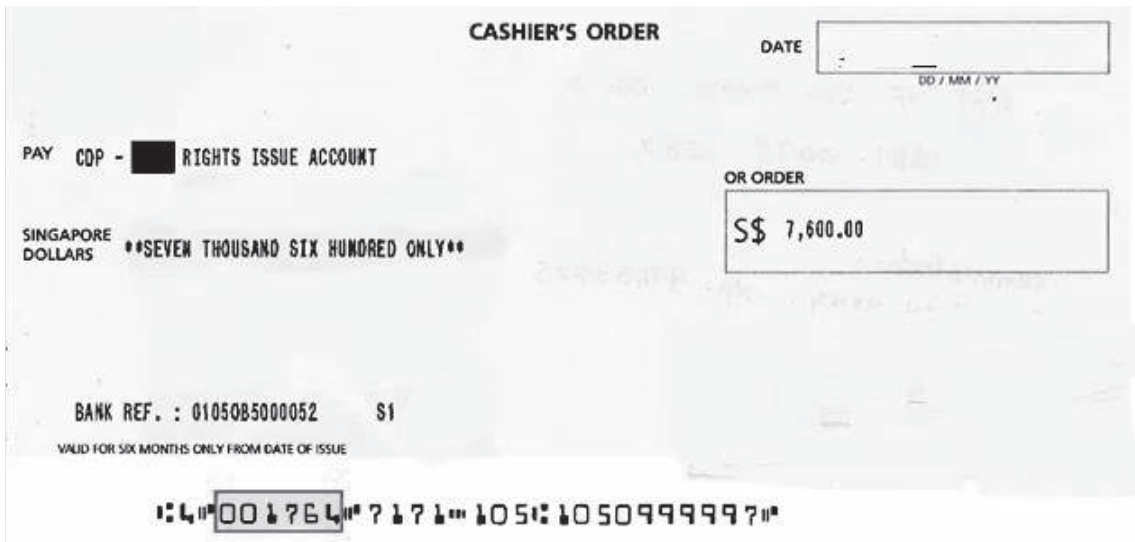
Fill in the six digits of the CO/BD number (eg. 001764) within the boxes.

Sign within the box.

### Notes:

- (i) If the total number of Series 2 Convertible Securities with Warrants applied exceeds the provisional allotted holdings in your Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.
- (ii) The total number of Series 2 Convertible Securities with Warrants applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Series 2 Convertible Securities with Warrants will be appropriated accordingly if the applied quantity exceeds this amount.
- (iii) Please note to submit one Cashier's Order per application form.

### 3. Sample of a Cashier's Order



*This page has been intentionally left blank.*

## **ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS UNDER THE RIGHTS ISSUE THROUGH ATMS OF PARTICIPATING BANKS**

The procedures for Electronic Applications for Series 2 Convertible Securities with Warrants are set out on the ATM screens of the relevant Participating Banks (“**Steps in respect of the Rights Issue**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps in respect of the Rights Issue and the terms and conditions for Electronic Applications for Series 2 Convertible Securities with Warrants set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights and (if applicable) apply for excess Series 2 Convertible Securities with Warrants at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications for Series 2 Convertible Securities with Warrants and the Steps in respect of the Rights Issue shall mean the Rights Issue Entitled Depositor who accepts his provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applies for excess Series 2 Convertible Securities with Warrants through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Rights Issue Transaction Record**”), confirming the details of his Electronic Application. The Rights Issue Transaction Record is for retention by the Applicant and should not be submitted with any ARE.

**An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants or (if applicable) application for excess Series 2 Convertible Securities with Warrants liable to be rejected.**

**For investors who hold Shares through finance companies and/or Depository Agents, acceptances of their provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants must be done through their respective finance companies and/or Depository Agents. Such investors are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications for Series 2 Convertible Securities with Warrants at ATMs of Participating Banks, the Share Registrar and/or the Company will be rejected.**

**For SRS investors and investors who hold Shares through finance companies and/or Depository Agents, acceptances of the Series 2 Convertible Securities with Warrants and (if applicable) applications for excess Series 2 Convertible Securities with Warrants must be done through their respective approved banks in which they hold their SRS Accounts and the finance companies and/or Depository Agents, respectively. Such investors are advised to provide their respective approved banks in which they hold their SRS Accounts, finance**

**companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by them in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application by such investors made directly through CDP, Electronic Applications for Series 2 Convertible Securities with Warrants at ATMs of Participating Banks, the Share Registrar and/or the Company will be rejected.**

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
  - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
  - (b) **that he authorises CDP to give, provide, divulge, disclose or reveal any information pertaining to his Securities Account maintained in CDP's record, including without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number, address(es), the number of Shares standing to the credit of his Securities Account(s), the number of Series 2 Convertible Securities with Warrants provisionally allotted to him, his acceptance of his provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants and any other information to the Company, the Manager of the Rights Issue, and any other relevant parties as CDP may deem fit for the purpose of the Rights Issue and his acceptance of his provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants.**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In addition, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure of his name, NRIC number or passport number, address, nationality, Securities Account number and application details from his account with his Participating Bank to the Share Registrar, Securities Clearing Computer Services (Pte) Ltd, CDP, the SGX-ST, the Company and the Manager of the Rights Issue (the "**Relevant Parties**").

2. An Applicant may make an Electronic Application using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.

3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Series 2 Convertible Securities with Warrants provisionally allotted and excess Series 2 Convertible Securities with Warrants applied for as stated on the Rights Issue Transaction Record or the number of Series 2 Convertible Securities with Warrants standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of excess Series 2 Convertible Securities with Warrants or not to allot any number of excess Series 2 Convertible Securities with Warrants to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
4. If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Series 2 Convertible Securities with Warrants accepted and (if applicable) excess Series 2 Convertible Securities with Warrants applied for shall signify and shall be treated as his acceptance of the number of Series 2 Convertible Securities with Warrants accepted and/or excess Series 2 Convertible Securities with Warrants applied for that may be allotted to him.
5. In the event that the Applicant accepts his provisional allotments of Series 2 Convertible Securities with Warrants both by way of the ARE and by way of Electronic Application(s) for Series 2 Convertible Securities with Warrants, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Series 2 Convertible Securities with Warrants which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of Series 2 Convertible Securities with Warrants represented by the provisional allotment standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Series 2 Convertible Securities with Warrants which have been accepted by the Applicant by way of the ARE and by way of Electronic Application. The Company and/or CDP, in determining the number of Series 2 Convertible Securities with Warrants which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Series 2 Convertible Securities with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE, or by way of acceptance through Electronic Application, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.
6. If applicable, in the event that the Applicant applies for excess Series 2 Convertible Securities with Warrants both by way of the ARE and by way of Electronic Application, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of excess Series 2 Convertible Securities with Warrants which the Applicant has given valid instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Series 2 Convertible Securities with Warrants not exceeding the aggregate number of excess Series 2 Convertible Securities with Warrants for which he has applied by way of the ARE and by way of Electronic Application for. The Company and/or CDP, in determining the number of excess Series 2 Convertible Securities with Warrants which the Applicant has given valid instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Series 2 Convertible Securities with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.

7. The Applicant irrevocably requests and authorises the Company to:
  - (a) register or to procure the registration of the Series 2 Convertible Securities and Warrants, and (if applicable) the excess Series 2 Convertible Securities and Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;
  - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Series 2 Convertible Securities with Warrants and/or excess Series 2 Convertible Securities with Warrants applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
  - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Series 2 Convertible Securities with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS AS A NOMINEE OF ANY OTHER PERSON.**
9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of the Company, CDP, the Manager of the Rights Issue, the Share Registrar and/or the Participating Banks) and any other events whatsoever beyond the control of the Company, CDP, the Manager of the Rights Issue, the Share Registrar and/or the Participating Banks, and if, in any such event, the Company, CDP, the Manager of the Rights Issue, the Share Registrar and/or the Participating Banks do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**, or such data or tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Manager of the Rights Issue, the Share Registrar and/or the Participating Banks in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
10. **Electronic Applications for Series 2 Convertible Securities with Warrants may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
11. Electronic Applications for Series 2 Convertible Securities with Warrants shall close at **9.30 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).**
12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.

13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be returned or refunded on the same terms.
15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**, and by making and completing an Electronic Application, the Applicant agrees that:
  - (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
  - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
  - (c) none of the Company, CDP, the Manager of the Rights Issue, the Share Registrar or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
  - (d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisionally allotted Series 2 Convertible Securities with Warrants and (if applicable) his application for excess Series 2 Convertible Securities with Warrants;
  - (e) in respect of the Series 2 Convertible Securities with Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
  - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.



16. The Applicant should ensure that his personal particulars as recorded with both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last maintained in the records of CDP.
17. The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts the provisionally allotted Series 2 Convertible Securities with Warrants and (if applicable) applies for excess Series 2 Convertible Securities with Warrants, by way of the ARE and/or by way of Electronic Application, the provisionally allotted Series 2 Convertible Securities with Warrants and (if applicable) excess Series 2 Convertible Securities with Warrants will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:
  - (a) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post **AT HIS OWN RISK** to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; or
  - (b) by crediting the Applicant's bank account with the relevant Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge to the Company and CDP for their obligations, if any, thereunder.
19. The Applicant hereby acknowledges that, in determining the total number of Series 2 Convertible Securities and Warrants represented by the provisional allotments of Series 2 Convertible Securities with Warrants which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:
  - (a) the total number of Series 2 Convertible Securities and Warrants represented by the provisional allotments of Series 2 Convertible Securities with Warrants which the Applicant has validly accepted, whether under the ARE, and/or any other form of acceptance (including Electronic Application) for Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants; and
  - (b) the total number of Series 2 Convertible Securities and Warrants represented by the provisional allotments of Series 2 Convertible Securities with Warrants standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the

provisional allotments of Series 2 Convertible Securities with Warrants accepted by the Applicant and (if applicable) the excess Series 2 Convertible Securities with Warrants which the Applicant has applied for.

21. Where an acceptance, application and/or payment does not conform strictly to the instructions set out under the Offer Information Statement, the ARE, and/or any other application form for Series 2 Convertible Securities with Warrants and/or excess Series 2 Convertible Securities with Warrants, or is illegible, incomplete or incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance or does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is not credited with or is credited with less than the relevant number of Series 2 Convertible Securities with Warrants accepted and (if applicable) excess Series 2 Convertible Securities with Warrants applied for as at the last date and time for acceptance of and excess application and payment for the Series 2 Convertible Securities with Warrants, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application of excess Series 2 Convertible Securities with Warrants and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotments of Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants.

*This page has been intentionally left blank.*

## PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION IN RESPECT OF THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS UNDER THE RIGHTS ISSUE BY RIGHTS ISSUE ENTITLED SCRIPHOLDERS

### 1 INTRODUCTION

- 1.1 Rights Issue Entitled Scripholders are entitled to receive this Offer Information Statement and the Product Highlights Sheet with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Series 2 Convertible Securities with Warrants Application Form	Form E

- 1.2 The Rights and application for excess Series 2 Convertible Securities with Warrants are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Series 2 Convertible Securities with Warrants provisionally allotted to Rights Issue Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, to be disregarded). Rights Issue Entitled Scripholders may accept their Rights, in full or in part, and are eligible to apply for excess Series 2 Convertible Securities with Warrants.
- 1.3 Full instructions for the acceptance of and payment for the Series 2 Convertible Securities with Warrants provisionally allotted to Rights Issue Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments are set out in the PAL.
- 1.4 Where an acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the PAL and/or any other application form for Series 2 Convertible Securities with Warrants and/or excess Series 2 Convertible Securities with Warrants, or is illegible, incomplete or incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.
- 1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants and the payment received in relation thereto, pursuant to such application, by a Rights Issue Entitled Scripholder or his renounee, on its own, without regard to any other application and payment that may be submitted by the same Rights Issue Entitled Scripholder or his renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not

constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the Rights and (if applicable) application for excess Series 2 Convertible Securities with Warrants.

- 1.6 The Rights Issue is not underwritten.
- 1.7 Rights Issue Entitled Scripholders who intend to trade any part of their Rights on the SGX-ST should note that all dealings in, and transactions of, the provisional allotments of Series 2 Convertible Securities with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.
- 1.8 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## **2 FORM OF ACCEPTANCE (FORM A)**

- 2.1 A Rights Issue Entitled Scripholder who wishes to accept his entire Rights or to accept any part of it and decline the balance should:
- (a) complete the Form of Acceptance (Form A) for the number of Series 2 Convertible Securities with Warrants which he wishes to accept; and
  - (b) return the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance by post at his own risk in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, so as to reach the Share Registrar not later than **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.

### **2.2 Insufficient Payment**

The attention of the Rights Issue Entitled Scripholder is also drawn to paragraph 2.3 of this Appendix I entitled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be entitled to determine the number of Series 2 Convertible Securities with Warrants which the Rights Issue Entitled Scripholder has given instructions to accept.

### **2.3 Appropriation**

A Rights Issue Entitled Scripholder should note that by accepting his Rights, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Series 2 Convertible Securities with Warrants which the Rights Issue Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Series 2 Convertible Securities with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

### **3 REQUEST FOR SPLITTING (FORM B), FORM OF RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)**

- 3.1 Rights Issue Entitled Scripholders who wish to accept only part and renounce the balance of their Rights, or who wish to renounce all or part of their Rights in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their Rights under the PAL split into separate PALs (the “**Split Letters**”) according to their requirements. The duly completed and signed Form B, together with the PAL in its entirety, should then be returned by post at their own risk, in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, as soon as possible and in any case to reach the Share Registrar not later than **5.00 p.m. on 17 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**. Split Letters will then be issued to Rights Issue Entitled Scripholders in accordance with their request. No Split Letters will be issued to Rights Issue Entitled Scripholders if Form B (together with the PAL in its entirety) is received after **5.00 p.m. on 17 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.
- 3.2 The Split Letters representing the number of Series 2 Convertible Securities with Warrants which Rights Issue Entitled Scripholders intend to renounce may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee. Rights Issue Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their Rights they intend to accept, if any. Form A of the said Split Letter(s) together with the remittance for the payment in the prescribed manner should be returned by post at the risk of the Rights Issue Entitled Scripholders in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, so as to reach the Company not later than **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.
- 3.3 Rights Issue Entitled Scripholders who wish to renounce their entire Rights in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of Rights which they wish to renounce and deliver the PAL in its entirety (together with the Offer Information Statement and the Product Highlights Sheet) to the renounees.
- 3.4 The renounee(s) should complete and sign the Form of Nomination (Form D) and forward Form D, together with the PAL in its entirety and the remittance for the payment in the prescribed manner by post at his/their own risk, in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, so as to reach the Company not later than **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**.
- 3.5 Each Rights Issue Entitled Scripholder may consolidate the Series 2 Convertible Securities with Warrants provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as defined herein) stated on each of them.

A renounee who is not a Rights Issue Entitled Scripholder and who wishes to consolidate the Series 2 Convertible Securities with Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them.

**ALL THE RENOUNCED PALs FOR THE SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

#### **4. PAYMENT**

- 4.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**FIRST SPONSOR RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Rights Issue Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.** The completed PAL and remittance should be forwarded, by post **AT THE SENDER'S OWN RISK**, in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, so as to reach the Company not later than **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).**
- 4.2 If acceptance of the provisional allotment of the Series 2 Convertible Securities with Warrants and (if applicable) application for excess Series 2 Convertible Securities with Warrants and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**, the Rights will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful acceptance and (if applicable) application monies received in connection therewith by ordinary post **AT THE RISK OF THE RIGHTS ISSUE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or benefit arising therefrom, within 14 days after the Closing Date.

#### **5. EXCESS SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS APPLICATION FORM (FORM E)**

- 5.1 Rights Issue Entitled Scripholders who wish to apply for excess Series 2 Convertible Securities with Warrants in addition to those which have been provisionally allotted to them may do so by completing the Excess Series 2 Convertible Securities with Warrants Application Form (Form E) and forwarding it together with the PAL and a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Series 2 Convertible Securities with Warrants applied for in the form and manner set out in paragraph 4 above, by post **AT THEIR OWN RISK**, in the enclosed self-addressed envelope provided, to **FIRST SPONSOR GROUP LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER**

**SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #11-02, SINGAPORE 068898**, so as to reach the Company not later than **5.00 p.m. on 24 May 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

- 5.2 The excess Series 2 Convertible Securities with Warrants available for application are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for excess Series 2 Convertible Securities with Warrants will, at the Directors' absolute discretion, be satisfied from such Series 2 Convertible Securities with Warrants as are not validly taken up by Rights Issue Entitled Shareholders or their respective renouncee(s), together with the aggregated fractional entitlements to the Series 2 Convertible Securities with Warrants, and any Series 2 Convertible Securities with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. In the event that applications are received by the Company for more excess Series 2 Convertible Securities with Warrants than are available, the excess Series 2 Convertible Securities with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to reject, in whole or in part, any application for excess Series 2 Convertible Securities with Warrants without assigning any reason whatsoever.
- 5.3 If no excess Series 2 Convertible Securities with Warrants are allotted to a Rights Issue Entitled Scripholder, his remittance submitted on application for excess Series 2 Convertible Securities with Warrants will be returned or refunded to him. If the number of excess Series 2 Convertible Securities with Warrants allotted to a Rights Issue Entitled Scripholder is less than that applied for, the surplus application monies will be refunded to him. These amounts will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date. In determining the amount of surplus application monies to be refunded, the aggregate amount payable for the excess Series 2 Convertible Securities with Warrants allotted to a Rights Issue Entitled Scripholder will be rounded upwards to the nearest whole cent. All monies and documents to be sent to the Rights Issue Entitled Scripholder shall be sent by ordinary post and **AT HIS OWN RISK.**

## **6. PERSONAL DATA PRIVACY**

By completing and delivering the PAL, a Rights Issue Entitled Scripholder or a renouncee: (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the Purposes; (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

## **7. GENERAL**

- 7.1 No acknowledgement or receipt will be issued for any acceptance, application or payment received.
- 7.2 **Rights Issue Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser.**



7.3 Upon listing and quotation on the Official List of the SGX-ST (subject to there being a sufficient spread of holdings of the Series 2 Convertible Securities and the Warrants to provide for an orderly market in the Series 2 Convertible Securities and the Warrants, respectively), any trading of the Series 2 Convertible Securities and the Warrants on the SGX-ST will be via the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of, the Series 2 Convertible Securities and the Warrants effected through the SGX-ST and/or CDP shall be in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", (in the case of the Warrants) the "Terms and Conditions for the Central Depository (Pte) Limited to act as Depository for the Warrants" and (in the case of the Series 2 Convertible Securities) "Terms And Conditions for The Central Depository (Pte) Limited to Act as Depository for the Convertible Securities" as the same may be amended from time to time, copies of which are available from CDP.

7.4 The Series 2 Convertible Securities will be initially represented by a global certificate registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the global certificate, owners of interests in Series 2 Convertible Securities represented by the global certificate will not be entitled to receive definitive security certificates in respect of their individual holdings of Series 2 Convertible Securities.

**Accordingly, Rights Issue Entitled Scripholders and their renounees who wish to accept their Rights and (if applicable) apply for excess Series 2 Convertible Securities with Warrants, and who wish to trade the Series 2 Convertible Securities with Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, must open Securities Accounts if they have not already done so, and provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs. Rights Issue Entitled Scripholders who fail to provide their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Series 2 Convertible Securities and the Warrants that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars given to CDP for the opening of their Securities Accounts or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained by CDP are liable to have their acceptances of their Rights and (if applicable) applications for excess Series 2 Convertible Securities with Warrants rejected.**

7.5 If the Rights Issue Entitled Scripholders' addresses stated in the PALs are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last maintained in the records of CDP.

**7.6 THE FINAL TIME AND DATE FOR ACCEPTANCES OF AND PAYMENT FOR SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS SERIES 2 CONVERTIBLE SECURITIES WITH WARRANTS IS 5.00 P.M. ON 24 MAY 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

### INFORMATION ON MAJOR PROPERTIES IN THE GROUP'S PORTFOLIO

The following table provides brief details on the Group's major properties as at the Latest Practicable Date:

PROPERTY DEVELOPMENT – PROPERTIES UNDER DEVELOPMENT <sup>(1)</sup>							
Name of Property/ Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Project commencement date	Expected project handover/ completion date	Site area (sq m)	Approximate GFA (sq m) <sup>(2)</sup>
<b>PRC</b>							
Millennium Waterfront (Plots E and F)  Wenjiang District, Chengdu, Sichuan Province, PRC	Expected to comprise elderly care living quarters, a hospital and ancillary commercial facilities	100.0	Leasehold interest to year 2051	February 2018	Not applicable <sup>(3)</sup>	48,237	534,409
Emerald of the Orient Project  Nancheng District, Dongguan, Guangdong Province, PRC	Comprising 168 villas and 1,076 residential units for sale and lease as well as approximately 89,500 sq m of office space, residential units, a kindergarten and other general amenities to be build for the municipal as per the land tender condition	20.4	(a) Leasehold interest to year 2088 (for the residential component); and  (b) Leasehold interest to year 2058 (for the commercial component)	October 2018	End of 2020	67,477	235,876

PROPERTY DEVELOPMENT – PROPERTIES UNDER DEVELOPMENT <sup>(1)</sup>							
Name of Property/ Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Project commencement date	Expected project handover/ completion date	Site area (sq m)	Approximate GFA (sq m) <sup>(2)</sup>
Star of East River Project Wanjiang District and Nancheng District, Dongguan, Guangdong Province, PRC	Expected to have approximately 2,328 SOHO apartment units, 173,000 sq m of commercial space and 1,157 underground car park lots	30.0	Leasehold interest to years 2054 to 2055 (commercial component)	April 2017	Started handover of residential component in phases from January 2019	49,136	248,000
<b>The Netherlands</b>							
Meerparc Amstelveenseweg 638-730, Amsterdam, the Netherlands	Comprising majority apartment rights corresponding to approximately 12,200 sq m of office space, 5,286 sq m retail/commercial space and 230 car park lots.  Excludes the remaining 104 sq m of retail/commercial space and three car park lots which are owned by a third party	100.0	Apartment rights (parcel of land involved: freehold)	Under planning	Not applicable <sup>(3)</sup>	9,744	Not applicable <sup>(3)</sup>

PROPERTY DEVELOPMENT – PROPERTIES UNDER DEVELOPMENT <sup>(1)</sup>									
Name of Property/ Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Project commencement date	Expected project handover/ completion date	Site area (sq m)	Approximate GFA (sq m) <sup>(2)</sup>		
Oliphant Haaksbergweg 4-98 (even numbers), Amsterdam, the Netherlands	Comprising office space and over 200 car park lots	100.0	Perpetual leasehold interest with ground rent paid until year 2040	June 2017	Completed in February 2019 <sup>(5)</sup>	7,910	25,955		
Dreeftoren Haaksbergweg 3-73 (odd numbers), Amsterdam, the Netherlands	Comprising office space and 207 car park lots	100.0	Perpetual leasehold interest with ground rent paid until year 2039	Under planning	Not applicable <sup>(3)</sup>	5,740	Not applicable <sup>(3)</sup>		
The Terraced Tower Boompjes 55 and 57, Rotterdam, the Netherlands	Expected to comprise 340 residential units, retail spaces and 212 car park lots	33.0	Freehold	October 2017	Expected to be in 2021	1,220	39,539		
Berg & Bosch Professor Bronkhorstlaan 4, 4A, 6, 8, 10A – 10M, 12 – 20 and 26, Bithoven, the Netherlands	Comprising buildings, some of which are national monuments amidst a rich green landscape and 627 car park lots	33.0	Freehold	Under planning	Not applicable <sup>(3)</sup>	415,799	Not applicable <sup>(3)</sup>		

PROPERTY HOLDING – INVESTMENT PROPERTIES					
Name of Property/Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Approximate lettable floor area (sq m) <sup>(2)</sup>	
<b>The Netherlands</b>					
Arena Towers Hoogoorddreef 66 and 68, Amsterdam, the Netherlands	Comprising the Holiday Inn Amsterdam and the Holiday Inn Express Amsterdam Hotels with 443 hotel rooms in aggregate, and 509 car park lots	100.0	Perpetual leasehold interest with ground rent paid until year 2053	17,396	
Le Méridien Frankfurt Wiesenhüttenplatz 28, 30, 32, and Wiesenhüttenstraße 36-38 Frankfurt am Main, 60329, Germany	Comprising 300 hotel rooms and suites and 48 car park lots	50.0	Freehold	15,602	
Mondriaan Tower Amstelplein 6 and 8, Amsterdam, the Netherlands	Comprising office space and 249 car park lots	33.0	Freehold	24,796	
Zuiderhof I Jachthavenweg 121, Amsterdam, the Netherlands	Comprising office space, archive space and 111 car park lots	33.0	Perpetual leasehold interest with ground rent paid until year 2050	12,538	
Herengracht 21 Herengracht 21, The Hague, the Netherlands	Comprising office space	33.0	Freehold	473	
Munthof Reguliersdwaarsstraat 50-64, Amsterdam, the Netherlands	Comprising mainly office space and 57 car park lots	33.0	Freehold	3,355	

PROPERTY HOLDING – HOTELS <sup>(4)</sup>					
Name of Property/Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Approximate GFA (sq m) <sup>(2)</sup>	
<b>PRC</b>					
Crowne Plaza Chengdu Wenjiang Hotel & Holiday Inn Express Chengdu Wenjiang Hotspring Hotel  No. 619A/B North Phoenix Street, Wenjiang District, Chengdu, Sichuan Province, PRC	Comprising 608 hotel rooms and suites, and a hotspring facility	100.0	Leasehold interest to year 2051	81,041	
<b>The Netherlands</b>					
Poortgebouw Property (3rd floor up to and including the 9th floor of the Poortgebouw Hoog Catharijne)  Catharijne Esplanade 13, 3511WK Utrecht, the Netherlands	Expected to comprise two hotels, namely, the Hampton by Hilton Hotel and Crowne Plaza Hotel, with an estimated 193 and 142 hotel rooms on completion, respectively	100.0	Leasehold interest to year 2069	11,604	
Bilderberg Garden Hotel Amsterdam  Dijsselhofplantsoen 7, 1077 BJ Amsterdam, Amsterdam, the Netherlands	Comprising 124 hotel rooms and suites	31.4	Perpetual leasehold interest with ground rent paid until year 2020	6,920	
Bilderberg Parkhotel Rotterdam  Westersingel 70, 3015 LB Rotterdam, Rotterdam, the Netherlands	Comprising 189 hotel rooms and suites	31.4	Freehold	12,875	
Bilderberg Europa Hotel Scheveningen  Zwolsestraat 2, 2587 VJ Scheveningen, The Hague, the Netherlands	Comprising 174 hotel rooms and suites	31.4	Temporary leasehold interest with ground rent paid until year 2026	9,950	
Bilderberg Kasteel Vaalsbroek  Vaalsbroek 1, 6291 NH, Vaals, the Netherlands	Comprising 130 hotel rooms and suites	31.4	Freehold	16,270	

<b>PROPERTY HOLDING – HOTELS<sup>(4)</sup></b>					
<b>Name of Property/Location</b>	<b>Description of the Property</b>	<b>Effective Group interest (per cent.)</b>	<b>Title/Year of expiry of land use rights</b>	<b>Approximate GFA (sq m)<sup>(2)</sup></b>	
Hotel de Bilderberg Utrechtseweg 261, 6862 AK Oosterbeek, the Netherlands	Comprising 146 hotel rooms and suites	31.4	Freehold	12,685	
Bilderberg Hotel De Keizerskroon Koningstraat 7, 7315 HR Apeldoorn, the Netherlands	Comprising 93 hotel rooms and suites	31.4	Freehold	7,588	
Bilderberg Hotel't Speulderbos Speulderbosweg 54, 3886 AP Garderen, the Netherlands	Comprising 102 hotel rooms and suites	31.4	Freehold	10,150	
Bilderberg Résidence Groot Heideborgh Hogesteeg 50, 3886 MA, Garderen, the Netherlands	Comprising 84 hotel rooms and suites	31.4	Freehold	7,530	
Bilderberg Grand Hotel Wientjes Stationsweg 7, 8011 CZ, Zwolle, the Netherlands	Comprising 57 hotel rooms and suites	31.4	Freehold	4,087	
Bilderberg Hotel De Bovenste Molen Bovenste Molenweg 12, 5912 TV, Venlo, the Netherlands	Comprising 82 hotel rooms and suites	31.4	Freehold	6,575	
Bilderberg Château Holtmühle Kasteellaan 10, 5932 AG Tegelen, the Netherlands	Comprising 66 hotel rooms and suites	31.4	Freehold	5,600	
Hilton Rotterdam Weena 10, 3012 CM, Rotterdam, the Netherlands	Comprising 254 hotel rooms and suites	24.7	Freehold	21,000	
<b>Germany</b>					

PROPERTY HOLDING – HOTELS <sup>(4)</sup>				
Name of Property/Location	Description of the Property	Effective Group interest (per cent.)	Title/Year of expiry of land use rights	Approximate GFA (sq m) <sup>(2)</sup>
Westin Bellevue Dresden Hotel Grosse Meissner Str. 15, 01097 Dresden, Germany	Comprising 340 hotel rooms and suites	94.9	Freehold	31,973
<b>Italy</b>				
Bare shell hotel formerly known as Grand Hotel Puccini Corso Buenos Aires No. 33, Milan, Italy	Comprising a bare shell former hotel to be completely refurbished into a hostel	100.0	Freehold	2,184

**Notes:**

- (1) For the avoidance of doubt, this table does not include major Properties that have been completed or that were substantially sold, such as Chengdu Cityspring which was completed in 2012 (residential component) and 2013 (commercial component), Plots A, B, C and D of Millennium Waterfront, and the various non-core properties of FSMC including Terminal Noord which were sold in the course of 2016 and November 2017 respectively.
- (2) Excludes underground GFA and/or car park area.
- (3) Yet to be determined as the development plan relating to this project is currently in the preliminary stage.
- (4) Comprises hotels owned and operated by the Group.
- (5) The Group is considering the sale of the Oliphant to FSMC to generate development profit while retaining a meaningful stake for future capital appreciation and recurrent income. Until such time, the Oliphant will continue to be classified under the Group's property development business.



*This page has been intentionally left blank.*