

Extraordinary/ Special General Meeting::Voluntary

Issuer & Securities

Issuer/ Manager	CSC HOLDINGS LIMITED
Security	CSC HOLDINGS LTD - SG1F84861094 - C06

Announcement Details

Announcement Title	Extraordinary/ Special General Meeting
Date & Time of Broadcast	12-Nov-2015 17:48:48
Status	New
Announcement Reference	SG151112XMET5F1B
Submitted By (Co./ Ind. Name)	Lee Quang Loong
Designation	Company Secretary

Event Narrative

Narrative Type	Narrative Text
	Please refer to the attached documents for the :-
Additional Text	1) Notice of Extraordinary General Meeting; 2) Announcement on despatch of Circular to Shareholders on Proposed Renounceable Non-Underwritten Rights Cum Warrants Issue; and 3) Circular to Shareholders

Event Dates

Meeting Date and Time	27/11/2015 10:00:00
Response Deadline Date	25/11/2015 10:00:00

Event Venue(s)

Place	
Venue(s)	Venue details
Meeting Venue	2 Tanjong Penjuru Crescent, Singapore 608968

Attachments
<p>CSC Notice of EGM Right Issues.pdf</p> <p>CSC Circular Right Issues.pdf</p> <p>Despatch of Circular Announcement.pdf</p> <p>Total size =465K</p>


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CSC HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199707845E)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the Shareholders of CSC Holdings Limited (the “**Company**”) will be held on 27 November 2015 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 for the purposes of considering and, if thought fit, passing (with or without modifications) the resolutions set out below.

All capitalised terms used in this notice which are not defined herein shall have the meanings ascribed to them in the Circular dated 12 November 2015 to Shareholders of the Company.

AS ORDINARY RESOLUTIONS:

ORDINARY RESOLUTION 1

THE PROPOSED RIGHTS CUM WARRANTS ISSUE

Subject to the approval of Ordinary Resolution 2 below:

- (a) a renounceable non-underwritten Rights cum Warrants Issue by the Company of up to 403,241,241 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.025 per Rights Share, with up to 2,016,206,205 free detachable warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.01 per Warrant Share, on the basis of one Rights Share for every three (3) existing Shares held by shareholders of the Company (the “**Shareholders**”) as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed, be and is hereby approved;
- (b) the Board of Directors be and is hereby authorised to:
 - (i) create and issue:
 - a. such number of Rights Shares as the Directors may determine up to a maximum of 403,241,241 Rights Shares at an issue price of S\$0.025 per Rights Share;
 - b. such number of free detachable Warrants as the Directors may determine up to a maximum of 2,016,206,205 free Warrants to be issued together with the Rights Shares, with each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.01 per Warrant Share during the period commencing on and including the date of issue of the Warrants and expiring on the day immediately preceding the fifth (5th) anniversary of such date of issue, subject to the terms and conditions of the Deed Poll constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may deem fit;
 - c. such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);

- (ii) provisionally allot and issue up to 403,241,241 Rights Shares with up to 2,016,206,205 free Warrants, at an issue price of S\$0.025 per Rights Share, on the basis of one Rights Share for every three (3) Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed, on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:
- a. the provisional allotments of the Rights Shares under the Rights cum Warrants Issue shall be made on a renounceable basis to Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited (“CDP”) as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the share register of the Company (the “Share Register”), as the case may be, addresses in Singapore for the service of notices and documents;
 - b. no provisional allotments of the Rights Shares shall be made in favour of, and no application form or other documents in respect thereof shall be issued or sent to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the Share Register, as the case may be, addresses in Singapore for the service of notices and documents (the “Foreign Shareholders”);
 - c. the entitlements to the Rights Shares which would otherwise accrue to Foreign Shareholders shall be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit, including without limitation to be sold “nil-paid” on the SGX-ST and to pool and thereafter distribute the net proceeds thereof, if any (after deducting all expenses), proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - d. provisional allotments of the Rights Shares which are not taken up or allotted for any reason, or which represent fractional entitlements disregarded in accordance with the terms of the Rights cum Warrants Issue, shall be used to satisfy Excess Applications or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - e. the Rights Shares when issued and fully paid-up will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the Record Date for which falls before the date of issue of the Rights Shares;
 - f. the Warrant Shares to be issued on exercise of the Warrants will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the Record Date for which falls before the date of exercise of the Warrants;
- (c) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
- (i) a maximum of 2,016,206,205 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank *pari passu* in all respects with the then existing Shares (save as may otherwise be

provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the Record Date for which falls before the date of exercise of the Warrants;

- (ii) on the same basis as paragraph (c)(i) above, such further Warrant Shares as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (b) above; and
- (d) the Directors be and are hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Rights cum Warrants Issue, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this ordinary resolution or the transactions contemplated pursuant to or in connection with the Rights cum Warrants Issue.

ORDINARY RESOLUTION 2

THE WHITEWASH RESOLUTION

Subject to and contingent upon the passing of Ordinary Resolution 1 and the satisfaction of all the conditions set out in the Securities Industry Council's ("**SIC**") letter dated 12 October 2015, the Shareholders of the Company (other than the Concert Party Group), do hereby, on a poll taken, unconditionally and irrevocably waive their rights to receive a mandatory general offer under Rule 14 of the Code from the Concert Party Group, in respect of all or any part of the Shares held by such Shareholders, in the event that their subscription of the Rights Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue results in them incurring an obligation to make a mandatory general offer pursuant to Rule 14 of the Code.

Voting Exclusion: The Company will, in accordance with the conditional waiver by the SIC, disregard any votes cast on this resolution by the Concert Party Group and any parties not independent of them. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD
CSC HOLDINGS LIMITED

See Yen Tarn
Group Chief Executive Officer

12 November 2015

NOTES:

1. *A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy or proxies (not more than two (2)) to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent*

of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

- 3. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.*
- 4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968 at least 48 hours before the time fixed for the Extraordinary General Meeting.*
- 5. Please note that as the Concert Party Group and parties not independent of them are abstaining from voting on Ordinary Resolution 2 relating to the Whitewash Resolution (as set out above), they will not accept nominations as proxy or otherwise for voting on the Whitewash Resolution, unless specified instructions as to voting are given. Shareholders are advised not to appoint any of them as their proxy.*
- 6. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.*

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE –
DESPATCH OF CIRCULAR TO SHAREHOLDERS AND NOTICE OF EGM**

1. INTRODUCTION

The Board of Directors (the “**Directors**” or the “**Board**”) of CSC Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements dated 17 August 2015 and 4 November 2015 in respect of the Rights cum Warrants Issue (the “**Announcements**”). Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Announcements.

2. DESPATCH OF CIRCULAR TO SHAREHOLDERS AND NOTICE OF EGM

Further to the Announcements, the Board wishes to announce that the Company has today despatched to Shareholders a circular dated 12 November 2015 in relation to the Rights cum Warrants Issue and the Whitewash Resolution (the “**Circular**”). The purpose of the Circular is to provide Shareholders with, amongst other things, the details of, and other relevant information pertaining to the Rights cum Warrants Issue, together with the notice of the EGM of the Company to be held on 27 November 2015 at 10.00a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968, for the purposes of seeking the approval of the relevant Shareholders for the resolutions listed therein.

Shareholders who do not receive the Circular within a week from the date hereof should contact the Company’s share registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902 (Tel: +65 62280530).

An electronic copy of the Circular is also available on the website of the SGX-ST at <http://www.sgx.com>. Shareholders are advised to read the Circular carefully.

3. RESPONSIBILITY STATEMENT

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

4. TRADING CAUTION

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

BY ORDER OF THE BOARD

Lee Quang Loong
Company Secretary

12 November 2015

CIRCULAR DATED 12 NOVEMBER 2015

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

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

If you have sold or transferred all your issued and fully paid up ordinary shares (the “**Shares**”) in the capital of CSC Holdings Limited (the “**Company**”) represented by physical share certificate(s), you should immediately forward this Circular and the enclosed notice of Extraordinary General Meeting and Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Rights Shares (as defined herein), the Warrants (as defined herein) and the Warrant Shares (as defined herein) pursuant to the Rights cum Warrants Issue (as defined herein). The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.

Pursuant to the Listing Manual, the SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing and quotation of the Warrants on the SGX-ST due to an inadequate spread of holdings to provide for an orderly market in the trading of the Warrants, Warrant holders (as defined herein) will not be able to trade their Warrants on the SGX-ST but the Company shall, nevertheless, proceed with and complete the Rights cum Warrants Issue in such event.



CSC HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199707845E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO:

- (1) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 403,241,241 NEW ORDINARY SHARES IN THE ISSUED AND PAID-UP CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.025 PER RIGHTS SHARE (THE “ISSUE PRICE”) WITH UP TO 2,016,206,205 FREE DETACHABLE WARRANTS (THE “WARRANTS”), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (THE “WARRANT SHARE”) AT AN EXERCISE PRICE OF S\$0.01 PER WARRANT SHARE (THE “EXERCISE PRICE”), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) SHARES HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO DISREGARDED, AND FIVE (5) WARRANTS GIVEN WITH EVERY ONE (1) RIGHTS SHARE SUBSCRIBED (THE “RIGHTS CUM WARRANTS ISSUE”); AND**
- (2) THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY THE INDEPENDENT SHAREHOLDERS (AS DEFINED HEREIN) OF THEIR RIGHT TO RECEIVE A MANDATORY GENERAL OFFER FROM THE CONCERT PARTY GROUP (COMPRISING TH INVESTMENTS PTE LTD, TAT HONG INVESTMENTS PTE LTD, CHWEE CHENG & SONS PTE LTD, MR. NG CHWEE CHENG, CHWEE CHENG TRUST, MR. NG SAN TIONG ROLAND, MR. NG SUN HO TONY, MR. NG SAN WEE DAVID AND MR. NG SUN GIAM ROGER) FOR ALL THE ISSUED SHARES IN THE CAPITAL OF THE COMPANY NOT ALREADY OWNED OR CONTROLLED BY THEM, AS A RESULT OF THE RIGHTS CUM WARRANTS ISSUE (THE “WHITEWASH RESOLUTION”).**

Independent Financial Adviser in relation to the Whitewash Resolution

Deloitte & Touche Corporate Finance Pte Ltd

Important Dates and Times:

Last date and time for lodgement of Proxy Form	:	25 November 2015 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	27 November 2015 at 10.00 a.m.
Place of Extraordinary General Meeting	:	2 Tanjong Penjuru Crescent Singapore 608968

CAUTIONARY STATEMENTS

On 10 February 2015, the SGX-ST issued a press release announcing the introduction on 2 March 2015 of a minimum trading price requirement of S\$0.20 per share as a continuing listing requirement for issuers listed on the Main Board (the "MTP Requirement"). Shareholders should note that in the event that the Company is unable to meet the MTP Requirement by March 2016, the Company will be placed on the watch-list. If the Company is placed on the watch-list in March 2016, and it is still unable to comply with the MTP Requirement by March 2019, the Company will be delisted from the SGX-ST.

Shareholders should further note that CPF Funds (as defined herein) cannot be used to purchase shares of issuers on watch-list or issuers that are listed on the Catalist (except for companies that were migrated from the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ) to the Catalist on 17 December 2007). Accordingly, if the Company is placed on watch-list or decides to transfer its listing to the Catalist, CPF Funds can no longer be used to purchase the Company's Shares. Shareholders who have previously bought Shares under the CPF Investment Scheme ("CPFIS") prior the Company being placed on watch-list or transfer to Catalist, can choose to hold or sell their Shares or participate in corporate actions, subject to the applicable CPFIS rules and limits for these Shares.

Please refer to Paragraph 2.8 of this Circular for further information.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “ARE”** : Application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue
- “ARS”** : Application and acceptance form for Rights Shares with Warrants to be issued to purchasers of the provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- “ATM”** : Automated teller machine of a Participating Bank
- “Board of Directors” or “Directors”** : The board of Directors of the Company as at the date of this Circular
- “Books Closure Date”** : Subject to Shareholders’ approval of the Rights cum Warrants Issue, the time and date to be determined by the Directors, at and on which the Register of Members of the Company will be closed to determine the provisional allotment of Entitled Shareholders under the Rights cum Warrants Issue
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 12 November 2015
- “Closing Date”** : The time and date to be determined by the Directors, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of, the Rights Shares with Warrants under the Rights cum Warrants Issue
- “Code”** : The Singapore Code on Takeovers and Mergers, as amended or modified from time to time
- “Companies Act”** : Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “Company”** : CSC Holdings Limited
- “Concert Parties”** : Parties acting in concert with TH Investments Pte Ltd
- “Concert Party Group”** : THI and its Concert Parties comprising Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr. Ng Chwee Cheng, Chwee Cheng Trust, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger. Please refer to Paragraph 5.1 of this Circular for further information on the Concert Party Group
- “controlling shareholder”** : A person who holds directly and/or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company (unless otherwise excepted by the SGX-ST) or in fact exercises control over the Company
- “CPF”** : Central Provident Fund
- “CPF Fund”** : The CPF account savings of CPF members including the monies under the CPF Investment Scheme

DEFINITIONS

- “CPFIS”* : The CPF Investment Scheme
- “Deed Poll”* : The deed poll to be executed by the Company constituting the Warrants and containing, inter alia, provisions for the protection of the rights and interests of the Warranholders
- “Extraordinary General Meeting”* or *“EGM”* : The extraordinary general meeting of the Company to be held on 27 November 2015 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968, notice of which is set out on pages 76 to 79 of this Circular
- “Entitled Depositors”* : Entitled Shareholders with Shares entered against their own names in the Depository Register maintained with CDP as at the Books Closure Date and whose registered addresses with CDP were in Singapore as at 5.00 p.m. (Singapore time) on the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
- “Entitled Scripholders”* : Entitled Shareholders whose Shares are not deposited with CDP and whose Shares are not registered in the name of CDP, but are registered in their own names and whose registered addresses with the Company is in Singapore as at the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided the Company with addresses in Singapore for the service of notices and documents
- “Entitled Shareholders”* : Entitled Depositors and Entitled Scripholders
- “Excess Applications”* : Applications by Entitled Shareholders of the Rights Shares with Warrants in excess of their provisional allotments of Rights Shares with Warrants
- “Exercise Period”* : The period during which the Warrants may be exercised commencing on and including the date of issue of the Warrants and expiring on the day immediately preceding the fifth (5th) anniversary of such date of issue, unless such date is a date on which the Register of Members and/or Register of Warranholders of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warranholders may be closed), subject to the terms and conditions of the Warrants as set out in the Deed Poll
- “Exercise Price”* : The price payable per Warrant Share upon the exercise of a Warrant which shall be S\$0.01, subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll.
- “Existing Share Capital”* : The existing issued and paid-up share capital of the Company (excluding treasury shares) of 1,209,723,725 Shares, as at the Latest Practicable Date

DEFINITIONS

<i>“Foreign Purchasers”</i>	:	Persons purchasing the provisional allotment of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
<i>“Foreign Shareholders”</i>	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date, and who had not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Company c/o the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
<i>“FY”</i>	:	The financial year ended 31 March
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“IFA”</i>	:	Deloitte & Touche Corporate Finance Pte Ltd, the independent financial adviser appointed to advise the Independent Directors in relation to the Whitewash Resolution
<i>“Independent Directors”</i>	:	The Directors who are considered independent for the purposes of making the recommendation to Independent Shareholders in respect of the Whitewash Resolution, being Mr. Chee Teck Kwong Patrick, Mr. See Yen Tarn, Mr. Teo Beng Teck, Mr. Tan Ee Ping and Mr. Tan Hup Foi @ Tan Hup Hoi
<i>“Independent Shareholders”</i>	:	Shareholders who are deemed to be independent for the purposes of voting on the Whitewash Resolution other than the Concert Party Group
<i>“Issue Price”</i>	:	The issue price of S\$0.025 per Rights Share
<i>“Latest Practicable Date”</i>	:	5 November 2015, being the latest practicable date prior to the printing of this Circular
<i>“Listing Manual”</i>	:	The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
<i>“LPS”</i>	:	Loss per Share
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“MAS”</i>	:	The Monetary Authority of Singapore
<i>“Notice of EGM”</i>	:	The notice of the EGM as set out on pages 76 to 79 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“Offer Information Statement” or “OIS”</i>	:	The offer information statement referred to in Section 277 of the SFA, together with the PAL, the ARE, the ARS and all other accompanying documents including, where the context so admits, any supplementary or replacement document to be issued by the Company in connection with the Rights cum Warrants Issue

DEFINITIONS

- “PAL”* : The provisional allotment letter to be issued to Entitled Scripholders, setting out the provisional allotment of Rights Shares with Warrants under the Rights cum Warrants Issue
- “Participating Banks”* : The banks that will be participating in the Rights cum Warrants Issue by making available their ATMs to Entitled Depositors and persons purchasing the “nil-paid” rights through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares with Warrants and applications for excess Rights Shares with Warrants, as the case may be, to be made under the Rights cum Warrants Issue
- “Record Date”* : In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Share Registrar of the Company or CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
- “Register of Members”* : Register of members of the Company
- “Rights cum Warrants Issue”* : The proposed renounceable non-underwritten rights cum warrants issue by the Company of up to 403,241,241 Rights Shares at an Issue Price of S\$0.025 per Rights Share with up to 2,016,206,205 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.01 per Warrant Share, on the basis of one (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants given with every one (1) Rights Share subscribed.
- “Rights Shares”* : Up to 403,241,241 new Shares, to be allotted and issued by the Company pursuant to the Rights cum Warrants Issue
- “Securities Account”* : A securities account maintained by a Depositor with CDP but does not include a securities sub-account
- “SFA”* : Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
- “SGX-ST”* : Singapore Exchange Securities Trading Limited
- “SGXNET”* : The SGXNET Corporate Announcement System
- “Shares”* : Ordinary shares in the capital of the Company
- “Shareholders”* : Registered holders of Shares except that where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean Depositors who have Shares entered against their names in the Depository Register
- “Share Registrar”* : M & C Services Private Limited
- “SIC”* : The Securities Industry Council of Singapore

DEFINITIONS

- “Substantial Shareholder”* : A person who holds directly and/or indirectly 5% or more of the total issued share capital of the Company
- “THI”* : TH Investments Pte Ltd, a controlling shareholder of the Company, and a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is, in turn, a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd. Mr. Ng San Tiong Roland is a director and shareholder, and Mr. Ng Chwee Cheng is a shareholder, of Chwee Cheng & Sons Pte Ltd. 42.03% of the issued share capital of Chwee Cheng & Sons Pte Ltd is owned by the Chwee Cheng Trust (constituted under trust deed). Accordingly, each of the trustees of Chwee Cheng Trust, namely, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger, is deemed to be interested in the Shares held by THI. For the purposes of the Code, each of THI, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr. Ng Chwee Cheng, Chwee Cheng Trust, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger are deemed concert parties.
- “Warrants”* : Up to 2,016,206,205 free detachable warrants in registered form, to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights cum Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the warrants to be set out in the Deed Poll (any such additional warrants to rank pari passu with the warrants to be issued together with the Rights Shares and for all purposes to form part of the same series of warrants constituted by the Deed Poll), subject to the terms and conditions to be set out in the Deed Poll, each warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Exercise Price
- “Warrant Agent”* : The warrant agent to be appointed, at the discretion of the Directors, in accordance with the terms and subject to the conditions of the Warrant Agency Agreement (as defined in the Deed Poll)
- “Warrantholders”* : Registered holders of Warrants, except that where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such Warrants
- “Whitewash Resolution”* : The proposed whitewash resolution for the waiver by the Independent Shareholders of their rights to receive a mandatory general offer from THI and its Concert Parties (comprising Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr. Ng Chwee Cheng, Chwee Cheng Trust, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger) (the “**Concert Party Group**”) for all the issued Shares in the capital of the Company not already owned or controlled by them, as a result of the Concert Party Group’s subscription of the Right Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue

DEFINITIONS

- “Whitewash Waiver”* : The waiver which the SIC granted on 12 October 2015 of the requirement for THI and its Concert Parties (comprising Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr. Ng Chwee Cheng, Chwee Cheng Trust, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger) (the **“Concert Party Group”**) to make a mandatory general offer to the Independent Shareholders to acquire all their Shares under Rule 14 of the Code as a result of the Concert Party Group’s subscription of the Right Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue, subject to the satisfaction of any conditions as may be imposed by the SIC
- “RM”* : Malaysian Ringgit
- “S\$” and “cents”* : Singapore dollars and cents respectively
- “%” or “per cent.”* : Per centum or percentage

The terms *“Depositor”*, *“Depository Agent”* and *“Depository Register”* shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

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

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

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

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

LETTER TO SHAREHOLDERS

CSC HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199707845E)

Directors:

Chee Teck Kwong, Patrick (Independent Non-Executive Chairman)
See Yen Tarn (Executive Director / Group Chief Executive Officer)
Teo Beng Teck (Non-Executive Director)
Ng San Tiong Roland (Non-Executive Director)
Tan Ee Ping (Independent Director)
Tan Hup Foi @ Tan Hup Hoi (Independent Director)

Registered Office:

2 Tanjong Penjuru Crescent
Singapore 608968

12 November 2015

To: The Shareholders of CSC Holdings Limited

Dear Sir/Madam,

- (1) **THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 403,241,241 NEW ORDINARY SHARES IN THE ISSUED AND PAID-UP CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.025 PER RIGHTS SHARE (THE “ISSUE PRICE”) WITH UP TO 2,016,206,205 FREE DETACHABLE WARRANTS (THE “WARRANTS”), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (THE “WARRANT SHARE”) AT AN EXERCISE PRICE OF S\$0.01 PER WARRANT SHARE (THE “EXERCISE PRICE”), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) SHARES HELD BY ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO DISREGARDED, AND FIVE (5) WARRANTS GIVEN WITH EVERY ONE (1) RIGHTS SHARE SUBSCRIBED (THE “RIGHTS CUM WARRANTS ISSUE”); AND**
- (2) **THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY THE INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM THE CONCERT PARTY GROUP FOR ALL THE ISSUED SHARES IN THE CAPITAL OF THE COMPANY NOT ALREADY OWNED OR CONTROLLED BY THEM, AS A RESULT OF THE CONCERT PARTY GROUP’S SUBSCRIPTION OF THE RIGHT SHARES AND WARRANT SHARES ARISING FROM THE EXERCISE OF THE WARRANTS UNDER THE RIGHTS CUM WARRANTS ISSUE (THE “WHITEWASH RESOLUTION”).**

1. INTRODUCTION

The Directors are convening an extraordinary general meeting (“**EGM**”) to be held on 27 November 2015 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 to seek Shareholders’ approval for the following proposals:

- (a) the Rights cum Warrants Issue; and
- (b) the Whitewash Resolution.

LETTER TO SHAREHOLDERS

This Circular has been prepared to provide Shareholders with information relating to the proposals, which will be tabled at the EGM, notice of which is set out on pages 76 to 79 of this Circular. As the Rights cum Warrants Issue is subject to specific Shareholders' approval, it will not affect the number of shares and/or securities that may be issued by the Company pursuant to the general share issue mandate approved by Shareholders at the annual general meeting of the Company held on 27 July 2015.

Shareholders are advised that the SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Circular. Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares pursuant to the Rights cum Warrants. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.

2. THE RIGHTS CUM WARRANTS ISSUE

2.1 Overview of the Rights Cum Warrants Issue

The Company is proposing to, on a renounceable non-underwritten basis, offer up to 403,241,241 Rights Shares at an Issue Price of S\$0.025 per Rights Share, and up to 2,016,206,205 Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at the Exercise Price of S\$0.01 per Warrant Share, on the basis of one (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at a time and date to be determined by the Directors for the purpose of determining the Shareholders' entitlements under the Rights cum Warrants Issue (the "**Books Closure Date**"), fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed.

The Company believes that the Rights cum Warrants Issue has been appropriately priced to attract subscription interest from Entitled Shareholders and the investing public. The Issue Price of S\$0.025 per Rights Share and S\$0.01 per Warrant represents a discount of approximately 24% and 70% respectively to the last traded price of S\$0.033 for Shares traded on the Official List of the SGX-ST on 17 August 2015, being the Market Day on which the initial announcement of the Rights cum Warrants Issue was released. The Company is of the opinion that the Exercise Price had been appropriately priced to (i) attract subscription interest, (ii) reward its supporting Shareholders, and (iii) allow the Company to raise sufficient proceeds for its intended uses.

Since August 2009, the Company's share price has been in decline due to the challenging economic climate. The Company recognises that its Shareholders and the investing public may be hesitant to invest further in the Company in light of adverse market conditions. As such, it proposes to attract subscription interest by bundling together an issue of Rights Shares and Warrants. By undertaking the Rights cum Warrants Issue on the basis of one (1) Rights Share for every three (3) Shares held, and five (5) Warrants for every one (1) Rights Share subscribed, the Company believes that its Shareholders will recognise the value proposition of the same. In the event that the Company's future plans are successful and its Share price increases, Shareholders will be able to exercise their Warrants for a fraction thereof (at the Exercise Price) to the benefit of both the Company and themselves and/or sell their Warrants for profit. It is the Company's intention to reward its supporting Shareholders in such manner. Please refer to Paragraph 2.6 of this Circular for further information on use of proceeds from the Rights cum Warrants Issue.

The Rights Shares will be payable in full upon acceptance and application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the Company's Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

As at the Latest Practicable Date, the issued share capital of the Company (excluding treasury shares) comprises 1,209,723,725 Shares (the "**Existing Share Capital**").

LETTER TO SHAREHOLDERS

Based on the Existing Share Capital, and assuming that all of the Entitled Shareholders subscribe and pay for their *pro-rata* entitlements of Rights Shares with Warrants (the “**Maximum Subscription Scenario**”), the Company will issue 403,241,241 Rights Shares and 2,016,206,205 Warrants under the Rights cum Warrants Issue. Upon the allotment and issuance of the Rights Shares, the Company will have an issued share capital comprising 1,612,964,966 Shares. The Rights Shares represent approximately 33.3% of the Existing Share Capital, and approximately 25.0% of the enlarged share capital of the Company of 1,612,964,966 Shares immediately following the allotment and issue of 403,241,241 Rights Shares. If all the Warrants issued are exercised into Warrant Shares, the Company will have an issued share capital comprising 3,629,171,171 Shares. The Warrant Shares represent approximately 125.0% of the enlarged share capital of the Company of 1,612,964,966 Shares immediately following the allotment and issue of 403,241,241 Rights Shares, and 55.6% of the further enlarged share capital of the Company of 3,629,171,171 Shares immediately following the allotment and issue of 2,016,206,205 Warrant Shares. Collectively, up to 2,419,447,446 Shares can be issued pursuant to the Rights cum Warrants Issue comprising all the Rights Shares and Warrants Shares, which represents approximately 200% of the existing Share Capital and approximately 150% of the enlarged share capital of the Company of 1,612,964,966 Shares immediately following the allotment and issue of 403,241,241 Rights Shares

Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue (the “**Excess Applications**”).

Fractional entitlements to the Rights Shares with Warrants, if any, will be disregarded in arriving at Shareholders’ entitlements and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy Excess Applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of excess Rights Shares with Warrants, the Company will allocate the excess Rights Shares with Warrants in a manner deemed fit and appropriate, either proportionately based on (i) the shareholding of the Entitled Shareholders applying for excess Rights Shares with Warrants; or (ii) the number of excess Rights Shares with Warrants applied for by each Entitled Shareholder. The allocation method will be decided based on the results of the Rights Shares with Warrants applications by the Directors after the last date for acceptance and/or excess application and payment for the Rights Shares with Warrants (the “**Closing Date**”). Preference will be given to the rounding of odd lots, and Directors, and substantial Shareholders who have an interest directly or indirectly in 5% or more of the total number of Shares (“**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 cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Provisional allotments of the Rights Shares with Warrants which would otherwise have been made to Foreign Shareholders will be dealt with in the manner described in Paragraph 2.5.2 of this Circular.

No underwriting commitment has been arranged with any financial institution for the Rights Cum Warrants Issue. The Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis as the Company believes that the Issue Price for each Rights Share and the Exercise Price for each Warrant is sufficiently attractive. Further, the Board is of the opinion that there is no minimum amount which must be raised from the Rights cum Warrants Issue. Hence, in view of the above and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

LETTER TO SHAREHOLDERS

On 30 October 2015, approval in-principle was obtained from the SGX-ST for, *inter alia*, the dealing in, listing of and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Official List of the SGX-ST, subject to certain conditions, details of which are set out under Paragraph 2.4 of this Circular. Shareholders should note that the approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights cum Warrants Issue, the Rights Shares, the Warrants and the Warrant Shares. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Circular.

Shareholders should note that pursuant to the Listing Manual, the SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing and quotation of the Warrants on the SGX-ST due to an inadequate spread of holdings to provide for an orderly market in the trading of the Warrants, Warrant holders will not be able to trade their Warrants on the SGX-ST but the Company shall, nevertheless, proceed with and complete the Rights cum Warrants Issue in such event.

2.2 Principal Terms of the Rights Shares

Number of Rights Shares : Up to 403,241,241 Rights Shares (with up to 2,016,206,205 free detachable Warrants) to be issued.

Basis of Provisional Allotment : One (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at the Books Closure Date, and five (5) Warrants given with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

Issue Price : S\$0.025 per Rights Share, payable in full on acceptance and/or application.

The Issue Price represents a discount of approximately 24% to the last traded price of S\$0.033 for Shares traded on the Official List of the SGX-ST on 17 August 2015, being the Market Day on which the initial announcement of the Rights cum Warrants Issue was released.

Eligibility to Participate : Please see Paragraph 2.5 of this Circular.

Status of the Rights Shares : The Rights Shares are payable in full upon acceptance and application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the Company's Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

Listing of the Rights Shares : On 30 October 2015, approval in-principle was obtained from the SGX-ST for, *inter alia*, the dealing in, listing of and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Official List of the SGX-ST, subject to certain conditions, details of which are set out under Paragraph 2.4 of this Circular.

LETTER TO SHAREHOLDERS

- Acceptance and Excess Application : Provisional allotments of Rights Shares with Warrants, which are not taken up or allotted for any reason shall be aggregated and allotted to satisfy Excess Applications (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares with Warrants, the Company will allocate the excess Rights Shares with Warrants in a manner deemed fit and appropriate, either proportionately based on (i) the shareholding of the Entitled Shareholders applying for excess Rights Shares with Warrants; or (ii) the number of excess Rights Shares with Warrants applied for by each Entitled Shareholder. The allocation method will be decided based on the results of the Rights Shares with Warrants applications by the Directors after the Closing Date. 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 cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.
- Trading of the Rights Shares : Upon the listing and quotation of the Rights Shares on the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise of 100 Shares.
- Use of CPF Funds : Persons who have previously bought their Shares under the CPF Investment Scheme – Ordinary Account (“**CPFIS Shareholders**”) may use their CPF Ordinary Account savings (subject to the availability of investible savings) (“**CPF Funds**”) for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares with Warrants and/or apply for excess Rights Shares and Warrants.
- CPFIS Shareholders who wish to accept the provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds will need to instruct their respective approved banks, where they hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares with Warrants and (if applicable) apply for the excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions of the OIS. In the case of insufficient CPF funds or stock limit, CPFIS Shareholders could top up cash into their CPF accounts before instructing their respective approved CPF agent banks to accept the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants. Any application made directly to the CDP or through ATMs will be rejected. CPF Funds may not be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.
- Non-underwritten : The Rights cum Warrants Issue will not be underwritten.
- Governing Law : Laws of the Republic of Singapore.

LETTER TO SHAREHOLDERS

2.3 Principal Terms of the Warrants

- Number of Warrants : Up to 2,016,206,205 Warrants to be issued free together with the Rights Shares.
- Basis of Allotment : Five (5) free detachable Warrant with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.
- Detachability and Trading : The Warrants will be detached from the Rights Shares upon issue, and will be issued in registered form and will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system, upon the listing and quotation of the Warrants on the SGX-ST, subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.
- Listing of the Warrants and the Warrant Shares : On 30 October 2015, approval in-principle was obtained from the SGX-ST for, *inter alia*, the dealing in, listing of and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Official List of the SGX-ST, subject to certain conditions, details of which are set out under Paragraph 2.4 of this Circular.
- Form and Subscription Rights : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warranholder, at any time during the Exercise Period, to subscribe for one (1) Warrant Share at the Exercise Price in force on the relevant date of exercise of the Warrants.
- Exercise Price : S\$0.01 per Warrant Share.
- Exercise Period : The Warrants may be exercised at any time during the period commencing on and including the date of issue of the Warrants and expiring on the day immediately preceding the fifth (5th) anniversary of such date of issue, unless such date is a date on which the Register of Members and/or Register of Warranholders of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warranholders may be closed), subject to the terms and conditions of the Warrants as set out in the Deed Poll. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

One (1) month before the end of the Exercise Period, a notice of expiry will be sent to all Warranholders and an announcement will be made. Such notice will be delivered by post to the addresses of the Warranholders as recorded in the Register of Warranholders to be maintained by the Warrant Agent or in the case of Warranholders whose Warrants are registered in the name of CDP, their addresses as shown in the records of the same.

LETTER TO SHAREHOLDERS

Mode of Payment for Exercise: Warrantheolders who exercise their Warrants must pay the Exercise
of Warrants Price by way of:

- (i) a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company;
- (ii) subject to the Warrants being listed on the SGX-ST, by debiting the relevant Warrantheolder's CPF Investment Account (as defined in the Deed Poll) with the specified CPF Approved Bank (as defined in the Deed Poll), for the credit of the Special Account (as defined in the Deed Poll); or
- (iii) subject to the Warrants being listed on the SGX-ST, partly in the form of remittance and/or partly by debiting such Warrantheolder's CPF Investment Account (as defined in the Deed Poll) with the CPF Approved Bank (as defined in the Deed Poll), for the credit of the Designated Account (as defined in the Deed Poll),

for the full amount of the Exercise Price payable in respect of the Warrants exercised.

Adjustments : The Exercise Price and/or the number of Warrants to be held by each Warrantheolder will, after their issue, be subject to adjustments under certain circumstances provided for in the terms and conditions of the Warrants as set out in the Deed Poll. Such circumstances include, without limitation, consolidation or subdivision of the Shares, capitalisation issues, rights issues and certain capital distributions.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants issued under the Rights cum Warrants Issue and will for all purposes form part of the same series. Any such adjustments shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company on the SGXNET.

Please refer to Appendix A of this Circular for the provisions in connection with the adjustments to the Exercise Price and number of Warrants.

Status of Warrant Shares : The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which precedes the date of exercise of the Warrants.

LETTER TO SHAREHOLDERS

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

Any such modification shall be binding on all Warrantheolders and all persons having an interest in the Warrants and shall be notified to them in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, as soon as practicable thereafter.

Without prejudice to any provision of the Deed Poll, any material alteration in the terms and conditions of the Warrants to the advantage of the Warrantheolders and/or prejudicial to Shareholders is subject to the approval of Shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.

LETTER TO SHAREHOLDERS

- Transfer and Transmission : The Warrants shall be transferable in lots entitling Warrantheolders to subscribe for whole numbers of Warrant Shares. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants set out in the Deed Poll including, inter alia, the following:
- (i) Warrants not registered in the name of CDP – a Warrantheolder whose Warrants are registered otherwise than in the name of CDP (the “**Transferor**”) shall lodge, during normal business hours on any Market Day so as to be received at the specified office of the Warrant Agent, the Transferor’s Warrant certificate(s) together with an instrument of transfer (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll, provided that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to it;
 - (ii) Deceased Warrantheolder – the executors or administrators of a deceased Warrantheolder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders) or, if the registered holder of the Warrants is CDP, of a deceased Depositor and, in the case of the death of one or more of several joint Warrantheolders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants registered in the name of the deceased Warrantheolder. 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 completion of a Transfer Form and the payment of the fees and expenses set out in the Deed Poll, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warrantheolder could have made;
 - (iii) Warrants registered in the name of CDP – where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry; and
 - (iv) Effective date of transfer – A transferor or Depositor, as the case may be, shall be deemed to remain a Warrantheolder until the name of the transferee is entered in the Register of Warrantheolders by the Warrant Agent or the Depository Register by CDP, as the case may be.

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Winding-up : Where there is a members' voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement), the Warranholders may elect to be treated as if they had immediately prior to the commencement of such winding-up exercised the Warrants and had on such date been the holders of the Shares to which they would have been entitled pursuant to such exercise, and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with the terms and conditions of the Deed Poll of the passing of any such resolution within seven (7) days after the passing thereof.

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

Further Issues : Subject to the terms and conditions of the Warrants as 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 to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such further issues of Shares or subscription rights unless otherwise resolved by the Company in general meeting.

Warrant Agent : M & C Services Private Limited

Governing Law : Laws of the Republic of Singapore

The above terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights cum Warrants Issue will be set out in the OIS to be lodged by the Company with the MAS, and to be despatched to Entitled Shareholders in due course, subject to, inter alia, the Rights cum Warrants Issue being approved by Shareholders at the EGM.

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2.4 Conditions for the Rights cum Warrants Issue

The Rights cum Warrants Issue is subject to, inter alia, the following:

- (a) the Whitewash Waiver not having been withdrawn or revoked as at the date of completion of the Rights cum Warrants Issue;
- (b) the approval in-principle from the SGX-ST for the listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares pursuant to the Rights cum Warrants on the Official List of the SGX-ST not having been withdrawn or revoked as at the date of completion of the Rights cum Warrants Issue;
- (c) the Rights cum Warrants Issue being approved by Shareholders and the Whitewash Resolution being approved by the Independent Shareholders at the EGM; and
- (d) the lodgement by the Company of the OIS, together with all other accompanying documents (if applicable), with the MAS.

On 30 October 2015, the Company received approval in-principle from the SGX-ST for the listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares on the Official List of the SGX-ST, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval for the Rights cum Warrants Issue;
- (c) 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 cum Warrants Issue and from the exercise of the Warrants and where 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;
- (d) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the Listing Manual with regards to the allotment of any excess Rights Shares;
- (e) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;
- (f) a written confirmation from the Company that there is a satisfactory spread of warrant holders (at least 100) to provide an orderly market for the Warrants in compliance with Rule 826 of the Listing Manual;
- (g) a written confirmation from the Company that the terms of the warrant issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Rule 829(1) of the Listing Manual;
- (h) a written undertaking from the Company that Rules 820, 830 and 831 of the Listing Manual will be complied with; and
- (i) disclosure in the Circular and via SGXNET whether TH Investments Pte Ltd intends to subscribe for their entitlement in the Rights cum Warrants Issue.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Circular.

LETTER TO SHAREHOLDERS

2.5 Eligibility of Shareholders to Participate in the Rights cum Warrants Issue

2.5.1 Entitled Shareholders

Entitled Shareholders will be entitled to participate in the Rights cum Warrants Issue and to receive the OIS together with the AREs or PALs, as the case may be, and its accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive the OIS and AREs may obtain them from CDP during the period up to the Closing Date. Entitled Scripholders who do not receive the OIS and the PALs may obtain them from the Share Registrar during the period up to the Closing Date.

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

Entitled Depositors, who wish to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants, may only do so through CDP. Full details of the Rights cum Warrants Issue will be set out in the OIS to be despatched to Entitled Shareholders in due course.

All dealings in and transactions of the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs to be issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

(a) Entitled Depositors

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to effect any change in address must reach CDP not later than three (3) Market Days before the Books Closure Date.

(b) Entitled Scripholders

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares with Warrants. Entitled Shareholders should note that their Securities Accounts will only be credited with the Rights Shares with Warrants on the twelfth (12th) Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

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2.5.2 Foreign Shareholders

The OIS, and its accompanying documents, relating to the Rights cum Warrants Issue will be lodged with MAS. They have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of the OIS and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the OIS and its accompanying documents have not been and will not be despatched to Foreign Shareholders.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights cum Warrants Issue. No provisional allotment of the Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

The OIS and its accompanying documents will also not be despatched to persons purchasing the provisional allotment of the Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Company reserves the right to reject any acceptances of the Rights Shares with Warrants and/or any Excess Application where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction. The Company further reserves the right to treat as invalid or to decline to register such application or purported application which (a) appears to the Company or its agent to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) or which requires the Company to despatch the share certificate(s) for the Rights Shares with Warrants to an address in any jurisdiction outside Singapore or (c) purports to exclude any deemed representation or warranty.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares with Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Where such provisional allotments of Rights Shares with Warrants are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in respect of such sales or proceeds thereof, the provisional allotments of Rights Shares with Warrants or the Rights Shares with Warrants represented by such provisional allotments.

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If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be used to satisfy Excess Applications 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 and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders and any other person having possession of the OIS and 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 the OIS and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.

The procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciation and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, will be set out in the OIS to be despatched by the Company to the Entitled Shareholders in due course.

2.6 Rationale for the Rights cum Warrants Issue

The Company is undertaking the Rights cum Warrants Issue to strengthen the financial position and capital base of the Group. The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company, and will allow the Group to be less reliant on external sources of funding. The net proceeds arising from the Rights cum Warrants Issue will equip the Company with readily available cash resources to take advantage of opportunities that may arise and execute its business and expansion plans. With the available cash reserves, the Company will be able to participate in opportunities and business plans that require a larger cash outlay.

The Company is strengthening its financial position and increasing its capital base in anticipation of its joint venture with New Hope Singapore Premix Pte Ltd in relation to the acquisition and development of the land Plot 48 at Tuas South Street 9 (as announced by the Company on 12 February 2015). Pursuant to the terms of the joint venture agreement dated 12 February 2015, the parties shall jointly undertake to carry out the business of owning, developing and managing the land through a joint venture company, NH Singapore Biotechnology Pte Ltd (the “**JV Company**”). The parties intend for the JV Company to develop modern high value-added factory, fabrication yards and workshops to support the operations of each of their respective operations (the “**Tuas Yard**”).

Such development by the JV Company is capital intensive and requires substantial capital outlay during the development phase. Depending on the eventual size and complexity, it may take one or more years before the benefits from the same will be fully realised by the Company. The ability of the Company to arrange financing and the cost of such financing are dependent on global economic conditions, capital and debt market conditions, lending policies of the government and banks, and other factors. The Group’s business may not be able to generate sufficient cash flows to fund the development, and there can be no assurance that international or domestic financing for the development will be available on terms favourable to the Company or at all. Interest rate fluctuations are of particular concern, especially interest rate hikes. The Company’s ability to obtain financing on favourable terms is dependent on a multitude, which are inherently variable and difficult to predict. Thus, the Company has decided to proceed with the Rights cum Warrants Issue.

As at 30 June 2015, the Company’s external funding from financial institutions amounted to S\$110.6 million.

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In the Maximum Subscription Scenario, the estimated net proceeds arising from the Rights cum Warrants Issue, after deducting estimated costs and expenses of S\$0.3 million relating thereto, and the intended use of such net proceeds (in the following order of priority) are set out below:

Use of Proceeds	Maximum Subscription Scenario	
	Amount (S\$ million)	Percentage (%)
1. Financing of new Tuas Yard to be constructed and its related equipment expenditures	5.5 to 7.0	56 to 71
2. Working capital purposes	2.8 to 4.3	29 to 44
Net proceeds arising from the Rights cum Warrants Issue, before the exercise of the Warrants	9.8	100
3. As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions and/or strategic investments, working capital and/or such other purposes as the Directors may deem fit	Up to approximately S\$20.2 million arising from the exercise of all of the Warrants	

Pending the deployment of the net proceeds raised from the Rights cum Warrants Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of the proceeds from the Rights cum Warrants Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights cum Warrants Issue in the annual report(s) of the Company, until such time the proceeds have been fully utilised.

2.7 Adequacy of Working Capital

The Directors are of the opinion that:

- (a) there is no minimum amount which must be raised from the Rights cum Warrants Issue; and
- (b) after taking into consideration the Group's present funding facilities, the working capital available to the Group is sufficient for the Group to meet its present requirements and continue to operate as a going concern. Nevertheless, the Company is undertaking the Rights cum Warrants Issue to strengthen its financial position.

No Shareholder (whether controlling, substantial or otherwise) has provided an undertaking to subscribe for its respective entitlement under the Rights cum Warrants Issue. Accordingly, there is no assurance that any amount will be raised, if at all, from the Rights cum Warrants Issue.

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2.8 Minimum Trading Price and Associated Risks

On 10 February 2015, the SGX-ST issued a press release announcing the introduction on 2 March 2015 of a minimum trading price requirement of S\$0.20 per share as a continuing listing requirement for issuers listed on the Main Board (the “**MTP Requirement**”). The MTP Requirement will be effective after 1 March 2016. The Company, being listed on the Main Board, is required to satisfy the MTP Requirement.

As at the Latest Practicable Date, the Shares of the Company are trading at a price significantly lower than S\$0.20. It is likely that after the completion of the Rights cum Warrants Issue, the Share will trade at an even lower price. **For illustration purposes only**, in the Maximum Subscription Scenario and assuming that all the Warrants Shares are issued, the theoretical share price of the Company will be S\$0.019 based on the share price of the Latest Practicable Date.

The Company is contemplating several options to meet the MTP Requirement, including:

- (a) a share consolidation exercise; or
- (b) transfer of its listing to Catalist, as the MTP Requirement does not apply to issuers listed on Catalist.

Shareholders should note that in the event that the Company is unable to meet the MTP Requirement by March 2016, the Company will be placed on the watch-list. If the Company is placed on the watch-list in March 2016, and it is still unable to comply with the MTP Requirement by March 2019, the Company will be delisted from the SGX-ST.

Shareholders should further note that CPF Funds cannot be used to purchase shares of issuers on watch-list or issuers that are listed on the Catalist (except for companies that were migrated from the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ) to the Catalist on 17 December 2007). Accordingly, if the Company is placed on watch-list or decides to transfer its listing to the Catalist, CPF Funds can no longer be used to purchase the Company’s Shares. Shareholders who have previously bought Shares under the CPFIS prior the Company being placed on watch-list or transfer to Catalist, can choose to hold or sell their Shares or participate in corporate actions, subject to the applicable CPFIS rules and limits for these Shares.

The Board will consider all options available to the Company in order to meet the MTP Requirement. It is the current intention of the Company to make an announcement before 31 March 2016, which is the end of its current financial year, to inform the Shareholders as to how the Company intends to meet the MTP Requirement.

3. FINANCIAL CONDITION OF THE GROUP

The audited consolidated financial statements of the Group for FY2013, FY2014 and FY2015, as well as the review thereof, are set out in Appendix B.

4. FINANCIAL EFFECTS OF THE RIGHTS CUM Warrants ISSUE

For illustrative purposes only and based on the latest audited consolidated financial statement of the Group for FY2015, the financial effects on the Company and the Group based on the Maximum Subscription Scenario on a pro forma basis are set out below.

The pro forma analysis below has been prepared solely for illustrative purpose only and does not purport to be indicative or a projection or an estimate of the financial results and financial positions of the Company and the Group after the completion of the Rights cum Warrants Issue.

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4.1 Share Capital

	Maximum Subscription Scenario	
	No. of Shares	S\$'000
Before the Rights cum Warrants Issue (as at LPD)	1,209,723,725	64,953
After the issue of the Rights Shares	1,612,964,966	74,734
After the exercise of the Warrants	3,629,171,171	94,896

4.2 NTA

	Maximum Subscription Scenario	
		S\$'000
Before the Rights cum Warrants Issue		177,586
After the issue of the Rights Shares		187,367
After the exercise of the Warrants		207,529

4.3 LPS

	Maximum Subscription Scenario	
		S\$'000
FY2015 loss attributable to Shareholders		16,699
Weighted average number of Shares after the issue of the Rights Shares	1,612,964,966	
LPS (cents)		1.04
Weighted average number of Shares after the exercise of the Warrants	3,629,171,171	
LPS (cents)		0.46

4.4 Gearing

	Maximum Subscription Scenario	
		%
Before the Rights cum Warrants Issue		66
After the issue of the Rights Shares		63
After the exercise of the Warrants		57

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5. THE WHITEWASH RESOLUTION

Under Rule 14 of the Code, except with the consent of the SIC, 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% or more of the voting rights of the Company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold Shares in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

5.1 Interest of the Concert Party Group and Application to the SIC

THI, a controlling shareholder of the Company, is a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is, in turn, a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd. Mr. Ng San Tiong Roland is a director and shareholder, and Mr. Ng Chwee Cheng is a shareholder, of Chwee Cheng & Sons Pte Ltd. 42.03% of the issued share capital of Chwee Cheng & Sons Pte Ltd is owned by the Chwee Cheng Trust (constituted under trust deed). Accordingly, each of the trustees of Chwee Cheng Trust, namely, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger, is deemed to be interested in the Shares held by THI. For the purposes of the Code, each of THI, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr. Ng Chwee Cheng, Chwee Cheng Trust, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger are deemed concert parties (“**Concert Party Group**”).

As at the date of this Circular, the Concert Party Group holds in aggregate 413,191,271 Shares, representing approximately 34.2% of the Existing Share Capital. The shareholding interest of the Concert Party Group is disclosed below:

Name	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
THI ⁽¹⁾	–	–	344,825,771	28.50
Tat Hong Investments Pte Ltd ⁽¹⁾	–	–	344,825,771	28.50
Chwee Cheng & Sons Pte Ltd ⁽¹⁾	–	–	344,825,771	28.50
Ng San Tiong Roland ⁽¹⁾⁽²⁾	3,457,000	0.29	345,325,771	28.55
Ng Sun Ho Tony ⁽¹⁾	–	–	344,825,771	28.50
Ng San Wee David ⁽¹⁾	–	–	344,825,771	28.50
Ng Sun Giam Roger ⁽¹⁾	–	–	344,825,771	28.50
Ng Chwee Cheng ⁽¹⁾⁽³⁾	18,472,500	1.53	45,936,000	3.80

Notes:

- (1) THI is a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is, in turn, a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd. 42.03% of the issued share capital of Chwee Cheng & Sons Pte Ltd is owned by the Chwee Cheng Trust (constituted under trust deed). Accordingly, each of the trustees of Chwee Cheng Trust, namely, Mr. Ng San Tiong Roland, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger along with Chwee Cheng & Sons Pte Ltd and Tat Hong Investments Pte Ltd, is deemed to be interested in the Shares held by THI. All Shares of THI is held through nominees.
- (2) Mr. Ng San Tiong Roland is also deemed interested in 500,000 Shares held through nominees.
- (3) Mr. Ng Chwee Cheng is deemed interested in 45,936,000 Shares held through nominees.

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Assuming that the Concert Party Group subscribes and pays for their *pro-rata* entitlement of Rights Shares with Warrants, and none of the Entitled Shareholders (excluding the Concert Party Group) subscribes and pays for their *pro-rata* entitlement of Rights Shares with Warrants, the aggregate shareholding interests of the Concert Party Group in the Company would be approximately 40.9% following their subscription of the Rights Shares (based on the enlarged share capital of the Company of 1,347,454,148 Shares immediately following the allotment and issue of 137,730,423 Rights Shares to the Concert Party Group), and approximately 60.9% following their exercise of the Warrants (based on the enlarged share capital of the Company of 2,036,106,263 Shares immediately following the allotment and issue of 688,652,115 Warrant Shares to the Concert Party Group).

Accordingly, the subscription and payment by the Concert Party Group for their *pro-rata* entitlement of Rights Shares with Warrants will result in the Concert Party Group increasing their aggregate shareholdings in the Company by 1% or more within a period of six (6) months. In such event, the Concert Party Group would incur an obligation to make a mandatory general offer for the Company under Rule 14 of the Code unless such obligation to make a mandatory general offer for the Company is waived by the SIC. Accordingly, the Company had on 17 August 2015 made an application to the SIC seeking a waiver of the obligations of the Concert Party Group to make a mandatory general offer for the Company under Rule 14 of the Code as a result of the subscription of the Rights Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue (the “**Whitewash Waiver**”).

5.2 Conditional Whitewash Waiver by the SIC

On 12 October 2015, the SIC granted the Whitewash Waiver subject to, *inter alia*, the satisfaction of the following conditions:

- (a) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the Rights cum Warrants Issue, approve by way of a poll, a resolution (the “**Whitewash Resolution**”) to waive their rights to receive a general offer from the Concert Party Group;
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) the Concert Party Group and parties not independent of it abstain from voting on the Whitewash Resolution;
- (d) the Concert Party Group did not acquire or is not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which has been disclosed in the Circular):
 - (i) during the period between the first announcement of the Rights cum Warrants Issue and the date Shareholders’ approval is obtained for the Whitewash Resolution; and
 - (ii) in the six (6) months prior to the announcement of the Rights cum Warrants Issue but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to such issue;
- (e) the Company appoints an independent financial adviser to advise Independent Shareholders on the Whitewash Resolution;

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- (f) the Company setting out clearly in this Circular:
 - (i) details of the Rights cum Warrant Issue;
 - (ii) the possible dilution effect to existing holders of voting rights as a result of the Concert Party Group acquiring (A) the Rights Shares and (B) the Warrants Shares upon exercise of the Warrants;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Concert Party Group as at the Latest Practicable Date;
 - (iv) the number and percentage of voting rights to be issued to the Concert Party Group as a result of its acquisition of (A) the Rights Shares and (B) the Warrants Shares upon exercise of the Warrants;
 - (v) that the Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Concert Party Group the highest price paid by the Concert Party Group for Shares in the Company in the past 6 months preceding the commencement of the offer;
 - (vi) that the Shareholders by voting for the Whitewash Resolution, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants;
 - (vii) specific and prominent reference to the fact that the Rights cum Warrants Issue could result in the Concert Party Group holding Shares carrying over 49% of the voting rights of the Company and the fact that the Concert Party Group would then be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
- (g) the Circular states that the Whitewash Waiver is subject to the conditions stated in subparagraphs (a) to (f) above;
- (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;
- (i) to rely on the Whitewash Resolution, the acquisition of the Rights Shares and Warrants by the Concert Party Group must be completed within three (3) months of the date of approval of the Whitewash Resolution and the acquisition of the Warrant Shares by the Concert Party Group upon the exercise of the Warrants must be completed within five (5) years of the date of the issue of the Warrants; and
- (j) the Concert Party Group will comply or procure the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code.

LETTER TO SHAREHOLDERS

5.3 Whitewash Resolution

The Independent Shareholders are therefore asked to vote, by way of a poll, on the Whitewash Resolution as set out as Ordinary Resolution 2 in the Notice of the EGM attached to this Circular.

The Board has, on behalf of the Company, appointed Deloitte & Touche Corporate Finance Pte Ltd as the IFA to advise the Independent Directors on the Whitewash Resolution. The recommendation of the IFA is outlined in Paragraph 5.4 of this Circular. The letter from the IFA, setting out their advice to the Independent Directors on the Whitewash Resolution is set out in Appendix C of this Circular.

In connection with the Whitewash Waiver, THI has confirmed that it, whether by itself or with any of the Concert Parties, has not acquired any Shares in the Company in the six (6) months period prior to the first announcement of the Rights cum Warrants Issue and will not acquire any Shares in the Company in the period between the same and the date on which Independent Shareholders' approval is obtained for the Whitewash Resolution at the EGM.

For the avoidance of doubt, the application to the SIC for, and the conditional grant by the SIC of, the Whitewash Waiver, does not amount to an undertaking by the Concert Party Group to subscribe for their *pro-rata* entitlement of Rights Shares with Warrants under the Rights cum Warrants Issue. The Concert Party Group has however, indicated their interest to the Board to subscribe and pay for, and/or procure the subscription and payment for, their *pro-rata* entitlement of 137,730,423 Rights Shares with Warrants under the Rights cum Warrants Issue to demonstrate their support for the Rights cum Warrants Issue.

5.4 Advice from the Independent Financial Adviser

Deloitte & Touche Corporate Finance Pte Ltd has been appointed as the IFA to advise the Independent Directors in relation to the Whitewash Resolution. The IFA Letter dated 12 November 2015, setting out its advice in full, is reproduced in Appendix C of this Circular. Taking into consideration the factors set out in the IFA Letter, the information available to the IFA as at the Latest Practicable Date and subject to the qualifications and assumptions set out in the IFA Letter, the IFA is of the opinion that the Whitewash Resolution is not prejudicial to the interests of the Company and its Independent Shareholders.

Accordingly, the IFA advises the Independent Directors to recommend that Independent Shareholders vote in favour of the Whitewash Resolution to be proposed at the EGM.

Shareholders should read the above in conjunction with, and in the context of, the IFA Letter in its entirety as set out in Appendix C to this Circular.

LETTER TO SHAREHOLDERS

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares, as at the Latest Practicable Date, are set out below:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Chee Teck Kwong Patrick	4,462,000	0.37	–	–
See Yen Tarn	–	–	6,350,000	0.52
Teo Beng Teck	3,945,000	0.33	–	–
Ng San Tiong Roland	3,457,000	0.29	345,325,771	28.55
Tan Ee Ping	4,567,000	0.38	50,000	0.00
Tan Hup Foi @ Tan Hup Hoi	–	–	–	–
Substantial Shareholders (other than Directors)				
THI	–	–	344,825,771	28.50
Tat Hong Investments Pte Ltd	–	–	344,825,771	28.50
Chwee Cheng & Sons Pte Ltd	–	–	344,825,771	28.50
Ng Sun Ho Tony	–	–	344,825,771	28.50
Ng San Wee David	–	–	344,825,771	28.50
Ng Sun Giam Roger	–	–	344,825,771	28.50
Ng Chwee Cheng	18,472,500	1.53	45,936,000	0.38

Notes:

(1) Based on the Existing Share Capital as at the Latest Practicable Date.

7. INTERDEPENDENCE OF RESOLUTIONS

The approval of the Whitewash Resolution and the Rights cum Warrants Issue are each conditional on each other.

8. OFFER INFORMATION STATEMENT

An OIS will be despatched to the Entitled Shareholders subject to, inter alia, the approval of Shareholders for the Rights cum Warrants Issue being obtained at the EGM. Acceptances and applications under the Rights cum Warrants Issue may only be made in the manner as prescribed in the OIS, the PAL, the ARE and the ARS.

9. BOOKS CLOSURE DATE

The Books Closure Date for the purpose of determining the Shareholders' entitlements under the Rights cum Warrants Issue will be announced at a later date.

LETTER TO SHAREHOLDERS

10. DIRECTORS' RECOMMENDATIONS

10.1 Rights cum Warrants Issue

The Directors are of the opinion that, based on the rationale for and the terms of the Rights cum Warrants Issue as set out in this Circular, the Rights cum Warrants Issue is in the best interests of the Shareholders and the Company, and accordingly unanimously recommend Shareholders to vote in favour of the ordinary resolution relating to the Rights cum Warrants Issue to be proposed at the EGM as set out in the Notice of EGM.

10.2 Whitewash Resolution

One of the Directors, namely, Mr. Ng San Tiong Roland, has abstained from deliberating and making any recommendations on the Whitewash Resolution as he is a Non-Executive Director and controlling shareholder of the Company, and is also a Director and shareholder of Chwee Cheng & Sons Pte Ltd.

The Independent Directors having considered the rationale for the Rights cum Warrants Issue, the terms and conditions of the Rights cum Warrants Issue, the financial effects of the Rights cum Warrants Issue and the advice of the IFA, are of the opinion that the Whitewash Resolution is not prejudicial to the interests of Independent Shareholders. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Whitewash Resolution. The Independent Directors wish to add that this resolution is an ordinary resolution and requires a majority of the Independent Shareholders present and voting at the EGM by way of a poll to approve the same.

The Independent Directors wish to add that voting for or against the Whitewash Resolution individually does not preclude the Independent Shareholders (on the basis that they are Entitled Shareholders for the Rights cum Warrants Issue) from accepting the Rights Shares, declining or otherwise renouncing or trading their provisional allotments of Rights Shares or applying (for that matter) additional Rights Shares in excess of their provisional allotments under the Rights cum Warrants Issue.

INDEPENDENT SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE WHITEWASH RESOLUTION:

- (a) they will be waiving their rights to receive a mandatory general offer under Rule 14 of the Code from the Concert Party Group for the Independent Shareholders' Shares, which the Concert Party Group would otherwise have been obliged to make at the highest price paid or agreed to be paid by the Concert Party Group for the Shares in the six (6) months preceding the commencement of the Rights cum Warrants Issue;**
- (b) the Concert Party Group may hold Shares carrying 49% or more of the voting rights of the Company based on its enlarged issued share capital after the Rights cum Warrants Issue, and the Concert Party Group will at that point be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company's Shares; and**
- (c) they could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Rights Shares.**

LETTER TO SHAREHOLDERS

INDEPENDENT SHAREHOLDERS SHOULD ALSO NOTE THAT:

- (a) the passing of the resolutions to approve the Rights cum Warrants Issue are contingent upon, amongst others, the Whitewash Resolution being passed. In view of this, in the event that the Whitewash Resolution is not passed by the Independent Shareholders, the Rights cum Warrants Issue will not take place;
- (b) Rule 723 of the Listing Manual requires the Company to meet the Public Float Requirement. As such, in the event that the subscription by the Concert Party Group of all the excess Rights Shares with Warrants under the Rights cum Warrants Issue which are not subscribed or otherwise taken up and/or applied for by the other Shareholders would cause the public shareholding in the Company to be less than 10.0%, the number of excess Rights Shares with Warrants which would be allotted to the Concert Party Group would be reduced so as to ensure that at least 10.0% of the Company's Shares remains in the hands of the Public Shareholders.

11. ABSTENTIONS FROM VOTING

Pursuant to the Whitewash Waiver, the Concert Party Group will abstain from voting at the EGM on the ordinary resolution relating to the Whitewash Resolution.

The Concert Party Group will also decline to accept appointment as proxies for any Shareholder to vote in respect of the ordinary resolution relating to the Whitewash Resolution, unless the Shareholder concerned shall have given specific instructions in his proxy form as to the manner in which his votes are to be cast in respect of the said resolution.

12. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is attached to this Circular will be held at 2 Tanjong Penjuru Crescent, Singapore 608968 on 27 November 2015 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications the ordinary resolutions set out in the Notice of EGM.

13. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, will find attached to this Circular a proxy form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968 not less than forty-eight (48) hours before the time fixed for the EGM. The completion and return of a proxy form by a Shareholder does not preclude him from attending the EGM and voting in person in place of his proxy should he subsequently wish to do so.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, at least forty-eight (48) hours before the time fixed for the EGM.

LETTER TO SHAREHOLDERS

14. CONSENTS

Deloitte & Touche Corporate Finance Pte Ltd, the IFA in relation to the Whitewash Resolution, has given and has not withdrawn its written consent for the issue of this Circular with the inclusion of its name, the IFA Letter attached as Appendix C to this Circular, all references thereto, in the form and the context in which they appear in this Circular.

15. DIRECTORS' RESPONSIBILITY STATEMENT

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

16. MATERIAL LITIGATION

As at the Latest Practicable Date, the Directors are not aware of any legal or arbitration proceedings pending or threatened or known to be contemplated by or against the Group which might or which have had in the twelve (12) months immediately preceding the date of this Circular, a material effect on the financial position or profitability of the Company or the Group taken as a whole or of any facts likely to give rise to such litigation or arbitration claim.

17. MATERIAL CONTRACTS

Save as disclosed below, neither the Company nor any of its subsidiaries has entered into any material contract (not being a contract entered into the ordinary course of business) during the period of two (2) years immediately preceding the Latest Practicable Date:

- (a) the shareholders agreement dated 25 October 2013 between the Company's wholly-owned subsidiary, L&M Ground Engineering Pte Ltd ("**L&M**"), and Tat Hong International Pte Ltd, AME Land Sdn Bhd and BP Lands Sdn Bhd, pursuant to which L&M agreed to subscribe for 500,000 new shares at a price of RM1.00 per share amounting to RM500,000;
- (b) the assignment cum nomination of purchase rights agreement dated 28 October 2013 between L&M and THAB Development Sdn Bhd (formerly known as Tat Hong Industrial Properties Sdn Bhd) ("**THAB**") and Tat Hong Heavy Equipment Pte Ltd, pursuant to which the parties agreed, *inter alia*, that L&M would irrevocably assign and nominate THAB to take over all its rights, title, interests and benefits in the sale and purchase agreement dated 29 April 2011 between L&M and UEM Land Berhad in respect of the purchase of one parcel of freehold vacant industrial land in Iskandar Malaysia;
- (c) the sale of shares agreement dated 1 August 2014 between the Company's wholly-owned subsidiary, G-Pile Sistem Sdn Bhd, and Ir. Liew Yoke Loy, Ir. Wong Mok Far, Mr. Mohd Labia Bin Saad (collectively the "**Vendors**") to acquire the Vendors' 35% equity interest in GPSS Geotechnic Sdn Bhd for the aggregate sum of RM490,797; and
- (d) the joint venture agreement dated 12 February 2015 between the Company and New Hope Singapore Premix Pte Ltd in relation to the acquisition and development of the land, Plot 48 at Tuas South Street 9.

LETTER TO SHAREHOLDERS

18. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Annual Report of the Company for FY2013, FY2014 and FY2015;
- (c) the Deed Poll constituting the Warrants; and
- (d) the material contracts referred to in Section 17 of this Circular

Yours faithfully

For and on behalf of the Board of Directors of
CSC HOLDINGS LIMITED

See Yen Tarn

Group Chief Executive Officer

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

The warrants (the “**Warrants**”) to subscribe for new ordinary shares in the capital of CSC Holdings Limited (the “**Company**”), are issued in conjunction with the renounceable non-underwritten rights issue of up to 403,241 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.025 per Rights Share (the “**Issue Price**”) with up to 2,016,206,205 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.01 per Warrant Share, on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company (“**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors, at and on which the Register of Members of the Company will be closed to determine the provision allotment of entitled Shareholders (the “**Books Closure Date**”), fractional entitlements to be disregarded, and five (5) Warrants given for every one (1) Rights Share subscribed (the “**Rights cum Warrants Issue**”).

The Rights cum Warrants Issue is undertaken pursuant to specific Shareholders’ approval granted during the extraordinary general meeting (“**EGM**”) held on 27 November 2015. The issue of the Warrants has also been authorised by resolutions of the board of Directors (the “**Directors**”) passed on 17 August 2015.

Copies of the Deed Poll are available for inspection at the specified office of the warrant agent referred to in Condition 4.6 (the “**Warrant Agent**”). The holders of the Warrants (the “**Warrantholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all provisions of the Deed Poll.

The statements in these Terms and Conditions of the Warrants (the “**Conditions**”) are an extract of the Deed Poll, and are subject to the provisions of the Deed Poll:

1. DEFINITIONS

In the terms and conditions contained herein (except where such definition shall be inconsistent with the subject matter or context), the words and expressions set out below shall have the meanings set out against them:

“**Act**” means the Companies Act, Chapter 50 of Singapore;

“**Additional Warrants**” means such further warrants as may be required or permitted to be issued by the Company in accordance with Condition 5 (such further warrants to rank pari passu with the Original Warrants and for all purposes to form part of the same series), each such Additional Warrant entitling the holder thereof to subscribe for one (1) Warrant Share at such price as may be determined in accordance with Condition 5, upon and subject to the Conditions;

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

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

“**CDP**” or “**Depository**” means The Central Depository (Pte) Limited and any other corporation which agrees with the Company to act as depository in respect of the Warrants including its successors in title and, where the context requires, shall include any person specified by it, in a notice given to the Company, as its nominee;

“**Company**” means CSC Holdings Limited;

“**Conditions**” means the terms and conditions of the Warrants as the same may from time to time be modified in accordance with the provisions set out herein and therein and “Condition” refers to the relative numbered paragraphs of the Conditions;

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

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

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

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

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

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

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

“**Depositor**” means a person being a Depository Agent or a holder of a Securities Account maintained with CDP but does not include a holder of a sub-account maintained with a Depository Agent;

“**Depository Agent**” means an entity registered with CDP for the purpose of maintaining securities sub-accounts for its own account and for the account of others;

“**Depository Register**” means the register maintained by CDP in respect of the Warrants registered in the name of CDP and held by CDP for the Depositors;

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

“**Dollars**” and “**S\$**” mean the lawful currency of Singapore;

“**Entitled Shareholders**” means the holders of the Shares whose names appear in the Register of Members and Depositors with Shares entered against their respective names in the Depository Register in each case;

“**Exercise Date**” means, in relation to the exercise of a Warrant, the Market Day (falling within the Exercise Period) on which the applicable conditions referred to in Condition 4 are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, Provided Always that if any such day falls during a period when the Register of Members is closed, then the Exercise Date shall be the following Market Day on which the Register of Members is open;

“**Exercise Notice**” means in relation to any Warrant the relevant form (for the time being current) for exercising the Warrants, copies of which may be obtained from the Company or the Warrant Agent;

“**Exercise Period**” means the period during which the Warrants may be exercised commencing on and including the date of the issue of the Warrants and expiring at 5.00 p.m. on the day immediately preceding the fifth (5th) anniversary of such date of issue, unless such date is a date on which the Register of Members and/or the Register of Warranholders is closed or is not a Market Day, in which event the Exercise Period shall end on the date prior to the closure of the Register of Members or the immediate preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warranholders may be closed), subject to the terms and conditions of the Warrants as set out in this Deed Poll;

“**Exercise Price**” means S\$0.01, being the sum payable in respect of each Warrant Share for which a Warranholder will be entitled to subscribe upon exercise of a Warrant, such price subject to such adjustments as may be required in accordance with Condition 5;

“**Expiration Date**” means the last day of the relevant Exercise Period, Provided Always that if such last day falls on a day other than a Market Day, then the Market Day immediately preceding the last day shall be the “**Expiration Date**”;

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

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

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

“**Warrant Shares**” means new ordinary shares in the capital of the Company to be issued upon exercise of the Warrants, credited as fully paid, including, where the context admits, such Warrant Shares arising from the exercise of any further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Warrants set out in the Deed Poll. Such Warrant Shares shall rank for any dividends, rights, allocations, or other distributions, the record date for which falls on or after the relevant Exercise Date. For the purposes of this definition, “**record date**” means, in relation to any dividends, rights, allocations or other distributions, the date on which as at the close of business Shareholders must be registered in order to participate in such dividends, rights, allocations or other distributions;

“**Notice**” means a notice given or to be given in accordance with Condition 11;

“**Original Warrants**” means the Warrants in registered form to be issued pursuant to the Deed Poll by the Company, each Warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Exercise Price upon and subject to the Conditions;

“**Register of Members**” means the register of members containing the names and addresses of the members of the Company kept at the registered office of the Company;

“**Registrar**” means M & C Services Private Limited or such other person, firm or company as may from time to time be appointed by the Company and as for the time being maintains in Singapore the Register of Members;

“**Securities Account**” means a securities account maintained by a Depositor with CDP;

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

“**Share(s)**” means ordinary share(s) in the capital of the Company;

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

“**Special Resolution**” means a resolution passed at a meeting of the Warranholders duly convened and held and carried by a majority consisting of not less than three-fourths (3/4th) of the votes cast thereon;

“**unexercised**” means, in relation to the Warrants, all the Warrants which have been issued pursuant to the resolutions referred to in the Recitals of the Deed Poll and also the Additional Warrants (if any), for so long as the Warrants shall not have lapsed in accordance with Conditions 3 or 6 and other than (a) those which have been exercised in accordance with their terms; (b) those lost, stolen, mutilated, defaced or destroyed Warrants in respect of which replacement Warrants have been duly issued pursuant to Condition 9; and (c) those 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 9, Provided Always that for the purposes of (i) the right to attend and vote at any meeting of Warranholders and (ii) the determination of how many and which Warrants for the time being remain unexercised for the purposes of Condition 8 and paragraphs 1, 3, 4 and 8 of Schedule 2 of the Deed Poll, those Warrants 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 unexercised;

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

“Warrant Agency Agreement” means the warrant agency agreement executed by the Company, the Warrant Agent and Registrar, pursuant to which the Warrant Agent is appointed by the Company to act in connection with the Warrants upon the terms and conditions set out therein, 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 in or substantially in the form set out in Schedule 1 of the Deed Poll as may from time to time be modified in accordance with the Conditions;

“Warrantholder” means, in relation to any Warrant, the person or persons for the time being registered in the Register of Warrantholders as the holder or joint holders of that Warrant, except that where the registered holder is CDP, it shall mean the persons named in the Depository Register against which the Warrants are credited, and the word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly;

“Warrant Agent” means M & C Services Private Limited or such other person, firm or company as for the time being maintains in Singapore the Register of Warrantholders and as may from time to time be appointed by the Company under the Warrant Agency Agreement;

“Register of Warrantholders” means the register of Warrantholders required to be maintained pursuant to Condition 4.7; and

“Warrants” means the Original Warrants, the Additional Warrants (if any), and for the time being remaining unexercised or, as the context may require, a specific number thereof and includes any replacement Warrant issued pursuant to Condition 9.

2. FORM, TITLE AND REGISTER

2.1 The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 10. The Warrant Agent will maintain the Register of Warrantholders on behalf of the Company and except as required by law:

- (a) the person in whose name a Warrant is registered (other than CDP); and
- (b) (where a Warrant is registered in the name of CDP) the Depositor for the time being appearing in the Depository Register maintained by CDP as having such Warrant credited to his Securities Account,

will be deemed to be and treated as the absolute owner of that Warrant (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft or forgery of the relevant Warrant Certificate or any irregularity or error in the records of CDP or any express notice to the Company or 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 (2) or more persons are entered in the Register of Warrantholders or (as the case may be) the records maintained by CDP 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 Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or trustees of a deceased Warrantholder;
- (b) joint holders of any Warrant whose names are entered in the Register of Warrantholders or (as the case may be) the relevant records maintained by CDP shall be treated as one Warrantholder;

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- (c) the Company shall not be bound to issue more than one (1) 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 of Warrantheolders shall be sufficient delivery to all; and
- (d) the joint holders of any Warrant whose names are entered in the Register of Warrantheolders or (as the case may be) the relevant records maintained by CDP shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant as well as in connection with the exercise of any such Warrant.

3. EXERCISE RIGHTS

- 3.1 Upon and subject to these Conditions, each Warrantheolder shall have the right, by way of exercise of each Warrant held by the Warrantheolder, at any time during the Exercise Period, in the manner set out in Condition 4 and otherwise on the terms and subject to these Conditions, to subscribe for one (1) Warrant Share at the Exercise Price (subject to adjustments in accordance with Condition 5) on the Exercise Date (as defined in Condition 4.3) applicable to such Warrant. No fraction of a Share shall be allotted.
- 3.2 At the expiry of the Exercise Period, any Warrants which have not been exercised in accordance with Condition 4 shall lapse and cease to be valid for any purpose.
- 3.3 Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.
- 3.4 Warrant Shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank for any dividends, rights, allocations or other distributions, the Record Date for which is on or after the relevant Exercise Date (subject as aforesaid), *pari passu* in all respects with the then existing Shares of the Company. For the purpose of this Condition 3.4, "**Record Date**" means, in relation to any dividends, rights, allocations or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in dividends, rights, allocations or other distributions.
- 3.5 The Company shall, not later than one (1) month before the expiry of the Exercise Period:
 - (a) give notice to the Warrantheolders in accordance with Condition 11 of the expiry of the Exercise Period and notify the same to SGX-ST; and
 - (b) take reasonable steps to despatch to the Warrantheolders notices in writing to their addresses recorded in the Register of Warrantheolders or the Depository Register, as the case may be, of the expiry of the Exercise Period.

Without prejudice to the generality of the foregoing, Warrantheolders 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 11. For the avoidance of doubt, neither the Company 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.

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4. PROCEDURE FOR EXERCISE OF WARRANTS

4.1 Lodgement Conditions

4.1.1 In order to exercise the Warrant(s), a Warrantholder must before 3.00 p.m. on any Market Day and before 5.00 p.m. on the Expiration Date, during the Exercise Period:

- (a) lodge the relevant Warrant Certificate(s) registered in the name of the exercising Warrantholder or CDP (as the case may be) for exercise at the specified office for the time being of the Warrant Agent together with the Exercise Notice (copies of which may be obtained from the Warrant Agent or the Company) in respect of the Warrants represented thereby, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty Provided Always that the Warrant Agent may dispense with or defer the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of CDP;
- (b) furnish such evidence (if any) as the Warrant Agent may require to determine or verify the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise to ensure the due exercise of the Warrants;
- (c) pay the Exercise Price in accordance with the provisions of Condition 4.2;
- (d) pay any deposit or other fees or expenses for the time being chargeable by and payable to CDP (if any) and any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrant(s) as the Warrant Agent may require; and
- (e) if applicable, pay any fees for certificates for the Warrant Shares to be issued, submit any necessary documents required in order to effect, and pay the expenses of the registration of the Warrant Shares in the name of the exercising Warrantholder or CDP (as the case may be) and the delivery of certificates for the Warrant Shares to the place specified by the exercising Warrantholder in the Exercise Notice or to CDP (as the case may be).

4.1.2 Any exercise by a Warrantholder in respect of Warrants registered in the name of CDP shall be further conditional upon:

- (a) that number of Warrants so exercised being credited to the “Free Balance” of the Securities Account of the Warrantholder and remaining so credited until the relevant Exercise Date; and
- (b) the relevant Exercise Notice specifying that the Warrant Shares to be issued on exercise of the Warrants are to be credited to the Securities Account of the exercising Warrantholder; or
- (c) in the case where funds standing to the credit of a CPF Investment Account are to be used for payment of the Exercise Price arising from the exercise of each Warrant, by crediting such Shares to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice,

failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

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An Exercise Notice which does not comply with the conditions above shall be void for all purposes. Warrantheolders whose Warrants are registered in the name of CDP irrevocably authorise the Company and the Warrant Agent to obtain from CDP and to rely upon such information and documents as the Company or the Warrant Agent deems necessary to satisfy itself that all the abovementioned conditions have been fulfilled and such other information as the Company 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 CDP (including the steps set out in CDP's "Guidelines to the Procedures for Exercise of Warrants/TSRs (Warrants)" as amended from time to time) in connection with the operation of the Securities Account of any Warrantheolder, Provided Always that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantheolder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the records of and information supplied by CDP.

4.1.3 Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any moneys tendered in connection with the exercise of the Warrant(s) in accordance with Condition 4.2 may not be withdrawn without the prior written consent of the Company.

4.2 Payment of Exercise Price

4.2.1 Payment of the Exercise Price shall be made at the specified office for the time being of the Warrant Agent by way of remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore and/or debiting the CPF Investment Account with the CPF Approved Bank, for the credit of the Special Account for the full amount of the moneys payable in respect of the Warrant(s) exercised under Condition 4.1.

Provided Always 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 requirements for the time being applicable.

4.2.2 Any payment under this Condition 4.2 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 Warrantheolder, (b) the number of Warrants exercised and (c) if the relevant Warrant Certificate is registered in the name of a person other than CDP, the certificate number(s) of the Warrant Certificate(s) in respect of the Warrant(s) being exercised or, where the Warrant Certificates are registered in the name of CDP, the Securities Account number(s) of the exercising Warrantheolder which is to be debited with the Warrants being exercised.

4.2.3 If the payment of the Exercise Price fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may be delayed accordingly or be treated as invalid and neither the Warrant Agent nor the Company shall be liable to the Warrantheolder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantheolder's purported exercise of all the relevant Warrants lodged with the Warrant Agent is less than the full amount of all the moneys payable under Condition 4.1, the Warrant Agent shall not treat the relevant amount so received or any part thereof as payment of such moneys or any part thereof or forward the same to the Company, and the whole of such relevant payment shall remain in the Special Account unless and until a further payment is made in accordance with the requirements set out above in this Condition 4.2 and Condition 4.4 below in an amount sufficient to cover the deficiency. The Company shall not be held responsible for any loss arising from the retention of any such payment by the Warrant Agent.

4.2.4 Payment of the Exercise Price received by the Warrant Agent will be delivered to the Company in accordance with the Warrant Agency Agreement in payment for the Warrant Shares to be delivered in consequence of the exercise of such Warrants.

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4.3 Exercise Date

4.3.1 The relevant Warrant shall (Provided Always that the provisions of this Condition 4 have been satisfied) be treated as exercised on the Exercise Date relating to that Warrant.

4.3.2 The relevant Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of CDP, such Warrant Certificates shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

4.4 Non-fulfilment of Lodgement Conditions

4.4.1 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 Warranholder on (a) the fourteenth (14th) day after receipt of such Exercise Notice by the Warrant Agent, or (b) 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 Warranholder but may only be withdrawn within the abovementioned fourteen (14) day period with the prior consent in writing of the Company.

4.4.2 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 to the exercising Warranholder by ordinary post at the risk and expense of such Warranholder. The Company and/or the Warrant Agent will be entitled to deduct or otherwise recover any applicable handling charges and out-of-pocket expenses from the exercising Warranholder.

4.5 Allotment of Warrant Shares, Issue of Warrant Certificates and Status of Warrant Shares

4.5.1 A Warranholder exercising Warrants which are registered in the name of CDP must have the delivery of the Warrant Shares arising from the exercise of such Warrants effected by crediting such Warrant Shares to the Securities Account(s) of such Warranholder or, as the case may be, the nominee company of the CPF Approved Bank as specified in the Exercise Notice. A Warranholder exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Warrant Shares arising from the exercise of such Warrants or to have the delivery of such Warrant Shares effected by crediting such Warrant Shares to his Securities Account(s) with CDP (in which case such Warranholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by CDP) or, as the case may be, the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which such exercising Warranholder shall be deemed to have elected to receive physical share certificates in respect of such Warrant Shares at his address specified in the Register of Warranholders.

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

- (a) where such Warranholder has (or is deemed to have) elected in the Exercise Notice to receive physical certificates in respect of the Warrant Shares arising from the exercise of the relevant Warrants, the Company 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 of Warranholders, as the case may be) and at the risk of such Warranholder; and

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(b) where the delivery of Warrant 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 or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five (5) Market Days after the relevant Exercise Date despatch the certificates relating to such Warrant Shares in the name of, and to, CDP for the credit of the Securities Account(s) of such Warrantholder as specified in the Exercise Notice.

4.5.3 Where a Warrantholder exercises part only (but not all) of the subscription rights represented by Warrants registered in his name, the Company shall despatch a balancing Warrant Certificate in the name of the exercising Warrantholder in respect of any Warrants remaining unexercised by ordinary post to the address specified in the relevant Exercise Notice (or, failing which, to his address specified in the Register of Warranholders) and at the risk of that Warrantholder and where such Warrantholder exercises part only (and not all) of his Warrants registered in the name of CDP, the number of Warrants represented by the Warrant Certificate registered in the name of CDP shall be deemed to have been reduced for all purposes by the number of Warrants so exercised.

4.5.4 The Warrant Shares will rank for any dividends, rights, allotments or other distributions, the Record Date for which shall fall on or after the relevant Exercise Date. Subject as aforesaid, the Warrant Shares shall rank *pari passu* in all other respects with the then existing Shares. For the purpose of this Condition 4.5, “Record Date” means, in relation to any dividends, rights, allotments or other distributions, the date on which as at the close of business, Shareholders must be registered with the Company, in order to participate in such dividends, rights, allotments or other distributions.

4.6 Warrant Agent

4.6.1 The name of the initial Warrant Agent and its specified office is set out below and on the Warrant Certificate. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent Provided Always that it will at all times maintain a Warrant Agent approved in writing by CDP having a specified office in Singapore, so long as any of the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the name or specified office of the Warrant Agent will be given to the Warranholders in accordance with Condition 11.

Warrant Agent: M & C Services Private Limited

Specified office: 112 Robinson Road
#05-01
Singapore 068902

4.7 Register of Warranholders

4.7.1 The Warrant Agent will maintain a register containing particulars of the Warranholders (other than Warranholders who are Depositors) and such other information relating to the Warrants as the Company may require (the “**Register of Warranholders**”). The Register of Warranholders may be closed during such periods when the register of transfers and the Register of Members are deemed to be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants held by any Warrantholder or during such other periods as the Company may determine. Notice of the closure of the Register of Warranholders and (if applicable) the Depository Register will be given to the Warranholders in accordance with Condition 11.

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4.7.2 Except as required by law or as ordered by a court of competent jurisdiction, the Company and the Warrant Agent shall be entitled to rely on the Register of Warranholders (where the registered holder of a Warrant is a person other than CDP) or the Depository Register (where CDP is the registered holder of a Warrant) or any statement or certificate issued by CDP to the Company or any Warranholder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warranholders, the number of Warrants to which any such Warranholders 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 Company 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).

4.7.3 Except as required by law:

- (a) the person in whose name a Warrant is registered (other than CDP); and
- (b) (where a Warrant is registered in the name of CDP) the Depositor for the time being appearing in the Depository Register maintained by CDP as having such Warrant credited to his Securities Account;

will be deemed and treated as the absolute owner of that Warrant (whether or not the Company shall be in default in respect of the Warrants or any of the covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft of the relevant Warrant Certificate or any express notice to the Company or Warrant Agent or any other related matter) 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.

5. ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF WARRANTS

5.1 The Exercise Price and the number of Warrants held by each Warranholder shall from time to time be adjusted by the Directors in consultation with an Approved Bank in accordance with Condition 5.2, which adjustment shall be certified by the Auditors. The Exercise Price and the number of Warrants held by each Warranholder shall subject to Conditions 5.3 and 5.4 from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

5.1.1 an issue by the Company of Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature or not and including any capital redemption reserve fund) to its Shareholders (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

5.1.2 a Capital Distribution (as defined below) made by the Company to its Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets);

5.1.3 an offer or invitation made by the Company to its Shareholders under which they may acquire or subscribe for Shares by way of rights; or

5.1.4 any consolidation or subdivision of Shares.

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5.2 Subject to these Conditions (and in particular Condition 5.3) 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 5.1.1 to 5.1.4 or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank shall determine):

5.2.1 If and whenever the Company shall make any issue of Shares to its Shareholders credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund, other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend) the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

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

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

where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

P = existing Exercise Price; and

W = existing number of Warrants held.

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 Shareholders must be registered as such to participate therein.

5.2.2 If and whenever:

(a) the Company shall make a Capital Distribution (as defined below) to Shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or

(b) the Company shall make any offer or invitation to its Shareholders under which they may acquire or subscribe for Shares by way of rights,

then the Exercise Price shall be adjusted in the following manner:

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

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and in respect of each case referred to in Condition 5.2.2(b) above, the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{C}{C - D} \times W$$

where:

C = the average of the Last Dealt Prices on the five (5) Market Days immediately before the date on which the Capital Distribution (as defined below), or any offer or invitation referred to in Condition 5.2.2(b) above, as the case may be, is publicly announced or (failing any such announcement), immediately preceding the date of the Capital Distribution (as defined below) or, as the case may be, of the offer or invitation;

D = (a) in the case of an offer or invitation to acquire or subscribe for Shares by way of rights under Condition 5.2.2(b) above, the value of the rights attributable to one Share (as defined below); or (b) in the case of any other transaction falling within Condition 5.2.2 above, the fair market value, as determined by an Approved Bank (with the concurrence of the Auditors), of that portion of the Capital Distribution (as defined below) or of the nil paid rights attributable to one Share;

P = existing Exercise Price; and

W = existing number of Warrants held.

For the purpose of definition (a) of “D” above the **“value of the rights attributable to one Share”** shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

where:

C = the average of the Last Dealt Prices on the five (5) Market Days immediately before the date on which the Capital Distribution (as defined below), or any offer or invitation referred to in Condition 5.2.2(b) above, as the case may be, is publicly announced or (failing any such announcement), immediately preceding the date of the Capital Distribution (as defined below) or, as the case may be, of the offer or invitation;

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

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

For the purposes of Conditions 5.1.2 and 5.2.2(a) above, “Capital Distribution” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5.2.1) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend).

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue pursuant to Condition 5.2.2.

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For the purposes of this Condition 5, “closing date” shall mean the date by which acceptance and payment for the Shares is to be made under the terms of such offer or invitation.

5.2.3 If and whenever the Company makes any allotment to its Shareholders as provided in Condition 5.2.1 above and also makes any offer or invitation to its Shareholders as provided in Condition 5.2.2(b) above and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants held by each Warrantholder shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(G \times C) + (H \times E)}{(G + H + B) \times C} \times P$$

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

where:

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

C = the average of the Last Dealt Prices on the five (5) Market Days immediately before the date on which the Capital Distribution (as defined below), or any offer or invitation referred to in Condition 5.2.2(b) above, as the case may be, is publicly announced or (failing any such announcement), immediately preceding the date of the Capital Distribution (as defined below) or, as the case may be, of the offer or invitation;

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

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

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

P = existing Exercise Price; and

W = existing number of Warrants held.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for the above transactions.

5.2.4 If, and whenever, consolidation or subdivision of the shares occurs, the Exercise Price shall be adjusted in the following manner:

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

and the number of Warrants shall be adjusted in the following manner:

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

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where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any capital redemption reserve fund other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend);

P = existing Exercise Price; and

W = existing number of Warrants held,

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

- 5.3 Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants held by each Warrantholder will be required in respect of:
- 5.3.1 an issue by the Company of Shares or other securities convertible into rights to acquire or subscribe for shares to officers, including directors, or employees of the Company or any of its Subsidiaries pursuant to any purchase or option scheme approved by the Shareholders in general meeting;
 - 5.3.2 an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business;
 - 5.3.3 any issue by the Company of Shares pursuant to the exercise of any of the Warrants and any other warrants or the conversion of any convertible securities previously issued by the Company;
 - 5.3.4 any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares and the issue of Shares arising from the conversion or exercise of such securities or rights, issued subsequent to the issue of Warrants, whether by itself or together with any other issues; or
 - 5.3.5 any purchase by the Company of Shares pursuant to any share purchase scheme approved by Shareholders in general meeting subsequent to the issue of Warrants, whether such Shares purchased pursuant to any such share purchase scheme are deemed cancelled or held in treasury.
- 5.4 If any offer or invitation for Shares is made otherwise than by the Company to the Shareholders, then the Company shall so far as it is able to, procure that at the same time an offer or invitation is made to the then Warrantholders as if their rights to subscribe for Warrant Shares had been exercised the day immediately preceding the date on which as at the close of business Shareholders must be registered in order to participate in such offer or invitation on the basis then applicable.
- 5.5 Any adjustment to the Exercise Price will be rounded upwards to the nearest one (1) cent. No adjustments to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5.2 above 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.

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- 5.6 Any adjustment to the number of Warrants held by each Warranholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants held by each Warranholder shall be made unless (a) it has been certified to be in accordance with Condition 5.2 above by the Auditors and (b) approval has been granted by SGX-ST for the listing of and quotation for such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Warrants. If for any reason an event giving rise to an adjustment (the “**First Adjustment**”) made to the Exercise Price or the number of Warrants held by each Warranholder pursuant to these Conditions is cancelled, revoked or not completed, the Exercise Price or the number of Warrants held by each Warranholder shall be readjusted to the amount prevailing immediately prior to the First Adjustment with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.7 Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustments to the Exercise Price and/or the number of Warrants held by each Warranholder 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 held by each Warranholder should be made notwithstanding that no such adjustment is required or contemplated under the said provisions, the Company may at its discretion appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank 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 Approved Bank to be in its opinion appropriate.
- 5.8 Whenever there is an adjustment as herein provided, the Company shall give notice to Warranholders in accordance with Condition 11 that the Exercise Price and/or the number of Warrants held by each Warranholder 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 the 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 the specified office for the time being of the Warrant Agent:
- 5.8.1 a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants; and
- 5.8.2 a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Warrants and the effective date of such adjustment,
- and shall, on request and at the expense of the Warranholder, send a copy thereof to any Warranholder. Whenever there is an adjustment to the number of Warrants held by each Warranholder, the Company will, as soon as practicable but not later than seven (7) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warranholder, at the risk and expense of that Warranholder, to his address appearing in the Register of Warranholders or, in respect of Warrants registered in the name of CDP, to CDP provided that if additional Warrants are issued to each Warranholder as a result of an adjustment which is cancelled, revoked or not completed and the number of Warrants held by each Warranholder is readjusted pursuant to Condition 5.5, such additional Warrants shall be deemed to be cancelled with effect from such date and in such manner as an Approved Bank may consider appropriate.
- 5.9 If the Directors, the Approved Bank and the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not as arbitrator and whose decision shall be certified by the Auditors.

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- 5.10 Without prejudice to the generality of Condition 5.7, if the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into Shares, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that an adjustment is appropriate, the Exercise Price and/or the number of Warrants held by each Warrantholder shall be adjusted accordingly.
- 5.11 Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Deed Poll, and shall be issued, subject to and with the benefit of the Deed Poll and these Conditions, on such terms and conditions as the Directors may from time to time think fit.
- 5.12 In giving any certificate or making any adjustment hereunder, the Auditors and the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decisions shall be conclusive and binding on the Company, the Warrantholders and all other 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 held by each Warrantholder other than in accordance with the provisions of this Condition 5 shall be subject to the approval of SGX-ST and agreed to by the Company, the Auditors and the Approved Bank.
- 5.14 Nothing shall prevent or restrict the buy-back of any classes of shares pursuant to applicable law and the requirements of SGX-ST. For the avoidance of doubt, no approval or consent of the Warrantholders shall be required for such buyback of any classes of shares and there shall be no adjustments to the Exercise Price and number of Warrants by reason of such buy-back of any classes of shares.

6. WINDING UP OF THE COMPANY

- 6.1 If an effective resolution is passed during the Exercise Period for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantholders by way of a Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantholders and all persons having an interest in the Warrants.
- 6.2 In any other case, if notice is given by the Company to its members to convene a general meeting for the purposes of considering a members' voluntary winding-up of the Company, every Warrantholder shall be entitled upon and subject to the Deed Poll and the Conditions, at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with all payments payable under Conditions 4.1 and 4.2, to elect to be treated as if he had had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantholders in accordance with the Deed Poll and the Conditions of the passing of any such resolution within seven (7) days after the passing thereof.
- 6.3 Subject to the foregoing, if the Company is wound up for any other reasons, 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.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

7. FURTHER ISSUES

Subject to the Conditions, 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 issue of Shares unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire the Shares.

8. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS

8.1 Schedule 2 of the Deed Poll sets out the provisions for convening meetings of the Warrantheolders to consider any matter affecting their interests, including the sanctioning by Special Resolution of a modification of the Warrants or the Deed Poll. Such a meeting may be convened by the Company or Warrantheolders holding not less than twenty per cent. (20%) of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing a Special Resolution shall be two (2) or more Warrantheolders present in person or by proxy duly appointed by Warrantheolders holding or representing not less than fifty per cent. (50%) of the Warrants for the time being unexercised.

8.2 At any adjourned meeting, two (2) or more persons present being or representing Warrantheolders whatever the number of Warrants so held or represented shall form a quorum, 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 or changing the exercise period) the necessary quorum for pressing a Special Resolution shall be two (2) or more persons or representing not less than seventy-five per cent. (75%) or at any adjournment of such meeting over fifty per cent. (50%) of the Warrants for the time being remaining unexercised. A Special Resolution duly passed at any meeting of Warrantheolders shall be binding on all Warrantheolders, whether or not they were 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 Warrantheolders.

8.3 The Company may, without the consent of the Warrantheolders but in accordance with the terms of the Deed Poll, effect any modification to the Warrants, the Deed Poll or the Warrant Agency Agreement which, in the opinion of the Company:

8.3.1 is not materially prejudicial to the interests of the Warrantheolders;

8.3.2 is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of SGX-ST; and/or

8.3.3 is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of new Shares arising from the exercise of the Warrants or meetings of the Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on SGX-ST.

Any such modification shall be binding on the Warrantheolders and all persons having an interest in the Warrants and shall be notified to them in accordance with Condition 11 as soon as practicable thereafter.

8.4 Notwithstanding Condition 8.3 above, no material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to Shareholders shall be made unless first approved by the Shareholders in general meeting, and, if necessary, SGX-ST.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

8.5 Except where the alterations are made pursuant to these Conditions (including but not limited to alterations made pursuant to and in accordance with Condition 5 above or Condition 8.3 or Condition 8.4 above), the Company shall not:

- 8.5.1 extend the Exercise Period;
- 8.5.2 issue new warrants to replace the Warrants;
- 8.5.3 change the Exercise Price; or
- 8.5.4 change the exercise ratio of the Warrants.

9. REPLACEMENT OF WARRANT CERTIFICATES

If a Warrant Certificate is mutilated, defaced, lost, stolen or destroyed, it may, subject to applicable law and at the discretion of the Company, be replaced upon request by the Warrantholder at the specified office for the time being of the Warrant Agent on payment of such costs as may be incurred in connection therewith, and on such terms as to evidence, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof), advertisement, undertaking and otherwise as the Company and/or the Warrant Agent may require. Mutilated or defaced Warrant Certificates must be surrendered to the Warrant Agent before replacements will be issued. The replacement Warrant Certificate will be issued to the registered holder of the Warrant Certificate replaced.

10. TRANSFER AND TRANSMISSION OF WARRANTS

10.1 Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling the Warrantholder to subscribe for whole numbers of Warrant Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Warrant Share or otherwise than as the sole or joint holder of the entirety of such Warrant Share.

10.2 Subject to applicable law and the Conditions, a Warrant which is not registered in the name of CDP may only be transferred in accordance with the following provisions of this Condition 10.2:

10.2.1 a Warrantholder whose Warrants are registered in the name of a person other than CDP (the “**Transferor**”) shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor’s Warrant Certificate(s) together with a transfer form as prescribed by the Company from time to time (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll, provided that the Company and the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP;

10.2.2 the Transferor shall furnish 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 transferring Warrantholder;

10.2.3 the Transferor shall pay the expenses of, and submit 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;

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

- 10.2.4 the Transfer Form shall be accompanied by the registration fee (such fee being for the time being a sum of S\$2.00 (excluding any goods and services tax) for each Warrant Certificate to be transferred) which shall be payable by cash or cheque together with any stamp duty and any goods and services tax (if any) specified by the Warrant Agent to the Transferor, such evidence as the Warrant Agent may require to determine and verify the due execution of the Transfer Form and payment of the expenses of, and submit, such documents as the Warrant Agent may require to effect delivery of the new Warrant Certificate(s) to be issued in the name of the transferee;
- 10.2.5 if the Transfer Form has not been fully or correctly completed by the Transferor 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 Transferor accompanied by written notice of the omission(s) or error(s) and requesting the Transferor to complete and/or amend the Transfer Form and/or to make the requisite payment; and
- 10.2.6 if the Transfer Form has been fully and correctly completed, the Warrant Agent shall as agent for and on behalf of the Company:
- (a) register the person named in the Transfer Form as transferee in the Register of Warrantheolders as registered holder of the Warrant in place of the Transferor;
 - (b) cancel the Warrant Certificate(s) in the name of the Transferor; and
 - (c) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.
- 10.3 With respect to Warrants registered in the name of CDP, any transfer of such Warrants shall be effected subject to and in accordance with the Conditions, applicable law and the rules of CDP as amended from time to time and where the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the CDP by way of book-entry.
- 10.4 The executors and administrators of a deceased Warrantheolder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders) or, if the registered holder of the Warrants is CDP, of a deceased Depositor and, in the case of the death of one or more of several joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants and shall be entitled to be registered as a holder of the Warrants upon the production by such persons to the Company and the Warrant Agent of such evidence as may be reasonably required by the Company and the Warrant Agent to prove their title and on completion of a Transfer Form and the payment of such fees and expenses referred to in Conditions 10.2.3 and 10.2.4. Conditions 10.2 and 10.3 shall apply mutatis mutandis to any transfer of the Warrants by such persons.
- 10.5 A Transferor or Depositor, as the case may be, shall be deemed to remain a Warrantheolder of the Warrant until the name of the transferee is entered in the Register of Warrantheolders by the Warrant Agent or in the Depository Register by CDP, as the case may be.
- 10.6 Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the Transferor at the cost of the Transferor, a Warrant Certificate in the name of the Transferor in respect of any Warrants not transferred.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

11. NOTICES

Each Warrantholder is required to nominate an address in Singapore for service of notices and documents by giving a notice in writing to the Company and the Warrant Agent, failing which such Warrantholder shall not be entitled to receive any notices or documents. Notices to Warrantholders may be sent by ordinary post to their respective addresses so nominated (and in the case of joint holdings, to the Warrantholder whose name appears first in the Register of Warrantholders or, where applicable, the relevant record of CDP in respect of joint holdings) or be given by advertisement in a leading daily English language newspaper in circulation in Singapore. Such notices shall be deemed to have been given in the case of posting, on the date of posting and in the case of advertisement, on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made. If such advertisement is not practicable, notice can be given in such manner as the Company and the Warrant Agent may agree in writing.

All notices required to be given pursuant to these Conditions shall also be announced by the Company on SGXNET on the same day as such notice is first published in any leading English language newspaper in circulation in Singapore.

12. NOTICE OF EXPIRATION DATE

The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantholders in accordance with Condition 11, of the Expiration Date. Additionally, the Company shall not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantholders in writing of the Expiration Date and such notice shall be delivered by post to the address of the Warrantholder as recorded in the Register of Warrantholders, or in the case of Warrant holders 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 Market Day after posting.

13. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

The Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, as may be modified, re-enacted, amended, supplemented or reconstituted from time to time, shall not under any circumstances apply to any provision of the Deed Poll and/or any term or condition of the Warrants and any person who is not a party to the Deed Poll shall have no right whatsoever to enforce any provision of the Deed Poll and/or any term or condition of the Warrants.

14. GOVERNING LAW

The Warrants and these Conditions shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Company submits and each Warrantholder is deemed to irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the Republic of Singapore for all purposes in relation to the Warrants and these Conditions but the foregoing shall not prevent or restrict any of them from enforcing any judgment obtained from a Singapore court in any other jurisdiction.

APPENDIX A – TERMS AND CONDITIONS OF THE WARRANTS

NOTES:

- (1) *The attention of Warranholders 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. In general terms, these provisions regulate the acquisition of effective control of public companies. Warranholders should consider the implications of these provisions before they exercise their respective Warrants. (In particular, a Warranholder should note that he may be under an obligation to extend a takeover offer for the Company if:
 - (a) *he intends to acquire, by exercise of the Warrants or otherwise, whether at one time or different times, Shares which (together with 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 Company; 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 Company; and either alone or together with persons acting in concert with him, intends to acquire additional 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 the Warranholders is drawn to Condition 3.2 of the Terms and Conditions of the Warrants relating to restrictions on the exercise of the Warrants.*
- (3) *A Warranholder who, after exercise of this Warrant, has an interest in not less than five per cent. (5%) of the aggregate of the nominal amount of the issued share capital of the Company, is under an obligation to notify the Company of his interest in the manner set out in section 82 of the Act.*

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

B.1 Consolidated Statement of Profit or Loss

The audited Consolidated Statement of Profit or Loss of the Group for FY2013, FY2014 and FY2015 are set out below:

	Audited FY2015 S\$'000	Audited FY2014 S\$'000	Audited FY2013 S\$'000
Revenue	427,925	487,125	533,095
Cost of sales	(403,835)	(453,325)	(492,478)
Gross profit	24,090	33,800	40,617
Gross profit margin ("GPM")	5.6%	6.9%	7.6%
Other income	3,572	8,083	3,589
Distribution expenses	(557)	(618)	(572)
Administrative expenses	(31,812)	(30,208)	(28,091)
Other operating expenses	(1,870)	(1,745)	(2,199)
Impairment losses on plant and equipment	(6,876)	-	-
Impairment losses reversed/(made) on trade and other receivables	6,858	-	(8,575)
Net provision made as a result of an arbitration award received	(3,161)	-	-
Results from operating activities	(9,756)	9,312	4,769
Finance income	232	310	159
Finance expenses	(3,848)	(4,299)	(6,017)
Net finance expenses	(3,616)	(3,989)	(5,858)
Share of profit of a joint venture	168	276	263
(Loss)/Profit before tax	(13,204)	5,599	(826)
Tax (expense)/credit	(429)	580	78
(Loss)/Profit for the year	(13,633)	6,179	(748)
Attributable to:			
Owners of the Company	(16,699)	2,980	(3,381)
Non-controlling interests	3,066	3,199	2,633
(Loss)/Profit for the year	(13,633)	6,179	(748)
(Loss)/Earnings per share			
Basic (loss)/earnings per share (cents)	(1.38)	0.25	(0.28)
Diluted (loss)/earnings per share (cents)	(1.38)	0.25	(0.28)

A review of the operations, business and financial performance of the Group for the relevant periods is set out below:

FY2015 versus FY2014

The Group's revenue for FY2015 contracted to S\$427.9 million (FY2014: S\$487.1 million), reflecting a very challenging operating landscape in FY2015. Demand from the private sector was weak, as property cooling measures introduced by the Singapore government and uncertainties in the global economic conditions continued to take a toll on the industry. Public residential demand also eased considerably in FY2015 following a ramp-up in construction in the previous years.

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

The Group reported a lower gross profit of S\$24.1 million for FY2015 compared to S\$33.8 million for FY2014 as a result of lower revenue. GPM for FY2015 was 5.6% (FY2014: 6.9%). The lower GPM was a result of very keen competition in the Singapore construction sector. In addition, the Group had to manage further increases in costs relating to manpower as a result of increased foreign worker levies. In July 2014, foreign worker levy was increased. The increase ranged from S\$15 to S\$200 per worker per month. Due to the increased competition in a shrinking market, it was not possible for the Group to pass on all these increased costs to its customers. In the face of these challenges, the Group trimmed its headcount in Singapore by 6.8% and consequently achieved a 5.6% reduction in payroll costs for FY2015, despite the increase in foreign worker levies.

Other income of S\$8.1 million for FY2014 was significantly higher than the S\$3.6 million recorded in FY2015, taking into account a substantial gain in FY2014 on the disposal of older equipment and the assignment and nomination of purchase rights of a land parcel to a third party.

Operating expenses of S\$34.2 million for FY2015 registered an S\$1.7 million increase as compared to FY2014. The increase was mainly due to legal and professional fees of S\$3.9 million incurred in FY2015 (FY2014: S\$1.8 million). The fees were incurred in conjunction with legal proceedings to recover long outstanding receivables.

Excluding the imputed interest income on the non-current assets /liabilities of S\$0.2 million in FY2015 (FY2014: S\$0.3 million), net finance expenses for FY2015 was lower at S\$3.8 million (FY2014: S\$4.3 million) following the reduction in bank borrowings in FY2015.

The Group recorded a net loss of S\$10.5 million in FY2015 (FY2014: net profit of S\$6.2 million) for its operations. However, after taking into account the following items, the Group's net loss for FY2015 was S\$13.6 million (FY2014: net profit of S\$6.2 million):

- (a) impairment losses made on certain plant and equipment of S\$6.9 million;
- (b) impairment losses reversed on trade debt due from Changi Motorsports Hub project of S\$6.9 million; and
- (c) net provision made as a result of an arbitration award received of S\$3.2 million.

Loss per share for FY2015 was 1.38 cents as compared to earnings per share of 0.25 cents in FY2014 respectively.

FY2014 versus FY2013

The Group recorded a decline in revenue to S\$487.1 million for FY2014, compared to S\$533.1 million recorded in FY2013. The property cooling measures introduced in Singapore in 2013 have weighed down on demand for the Group's foundation works in the second half of FY2014 as construction demand for the private residential sector moderated. However, this was mitigated somewhat by sustained domestic demand in Malaysia, which enabled the Group to record a growth in revenue contribution from Malaysia.

Gross profit and GPM for FY2014 were S\$33.8 million and 6.9% respectively (FY2013: S\$40.6 million and 7.6%). The lower margin reflects the keen competition across the industry, as contracts were secured at depressed prices while construction costs remained high. Operating in a labour-intensive industry, the Group, like its counterparts, has been further hit by increasing labour costs, resulting from the Singapore government's push to tighten regulations on foreign labour employment. The restrictions on the export of granite from a foreign country also contributed to a sharp increase in the cost of ready-mixed concrete in last quarter of FY2014.

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

The Group recorded other income of S\$8.1 million for FY2014 (FY2013: S\$3.6 million). Gain on disposals of older equipment and leasehold buildings in FY2014 contributed S\$2.5 million (FY2013: S\$1.5 million). In addition, the Group also recorded a net gain of S\$2.8 million (FY2013: Nil) from fees received for the nomination and assignment of the Group's purchase rights of a land parcel in Iskandar Malaysia to a third party in FY2014.

Operating expenses for FY2014 of S\$32.6 million was higher than S\$30.9 million in FY2013, reflecting the challenging operating conditions in the industry in FY2014.

Excluding the imputed interest income on the non-current assets/liabilities of S\$0.3 million in FY2014 (FY2013: imputed interest expenses of S\$0.9 million), net finance expenses for FY2014 decreased by S\$0.7 million to S\$4.3 million (FY2013: S\$4.9 million) in tandem with the lower level of borrowings for FY2014.

The Group's net profit for FY2014 was S\$6.2 million, compared to a net loss of S\$0.8 million recorded in FY2013. Earnings per share for FY2014 was 0.25 cents, while loss per share was 0.28 cents for FY2013.

**APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE
GROUP FOR FY2013, FY2014 AND FY2015**

B.2 Statement of Financial Position

The audited Statement of Financial Position of the Group as at 31 March 2013, 31 March 2014 and 31 March 2015 are set out below:

	Audited 31 March 2015 S\$'000	Audited 31 March 2014 S\$'000	Audited 31 March 2013 S\$'000
Non-current assets			
Property, plant and equipment	185,617	166,832	184,567
Intangible assets	1,452	1,452	1,452
Investment in a joint venture	1,613	1,302	1,124
Other investment	828	1,917	-
Trade and other receivables	12,902	14,295	14,014
	<u>202,412</u>	<u>185,798</u>	<u>201,157</u>
Current assets			
Inventories	27,001	71,295	64,014
Derivatives	-	22	-
Trade and other receivables	202,879	217,915	227,608
Cash and cash equivalents	19,167	13,020	9,485
Non-current assets classified as held for sale	-	83	3,051
	<u>249,047</u>	<u>302,335</u>	<u>304,158</u>
Total assets	<u>451,459</u>	<u>488,133</u>	<u>505,315</u>
Equity attributable to owners of the Company			
Share capital	64,953	64,953	64,953
Reserves	89,366	109,262	108,834
	<u>154,319</u>	<u>174,215</u>	<u>173,787</u>
Non-controlling interests	24,719	24,019	21,082
Total equity	<u>179,038</u>	<u>198,234</u>	<u>194,869</u>
Non-current liabilities			
Loans and borrowings	31,739	46,348	59,732
Deferred tax liabilities	570	3,294	6,115
	<u>32,309</u>	<u>49,642</u>	<u>65,847</u>
Current liabilities			
Loans and borrowings	86,358	104,528	108,401
Derivatives	-	2	18
Trade and other payables	139,035	126,593	125,185
Excess of progress billings over construction work-in-progress	7,806	8,136	9,797
Current tax payable	1,749	998	1,198
Provision for liquidated damages	5,164	-	-
	<u>240,112</u>	<u>240,257</u>	<u>244,599</u>
Total liabilities	<u>272,421</u>	<u>289,899</u>	<u>310,446</u>
Total equity and liabilities	<u>451,459</u>	<u>488,133</u>	<u>505,315</u>
Net asset value per share (cents)	<u>14.8</u>	<u>16.4</u>	<u>16.0</u>

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

A review of the financial positions of the Group for the relevant periods is set out below:

31 March 2015 versus 31 March 2014

The Group's non-current assets amounted to S\$202.4 million as at 31 March 2015 as compared to S\$185.8 million as at 31 March 2014. The higher non-current assets was mainly attributed to the increase in property, plant and equipment. In FY2015, the Group acquired S\$19.7 million worth of new plant and equipment, and disposed of older equipment amounted to S\$3.4 million. The Group had also capitalised certain equipment with carrying amounts of S\$38.0 million from inventories as property, plant and equipment in FY2015.

The Group's current assets decreased by S\$53.3 million to S\$249.0 million as at 31 March 2015 (31 March 2014: S\$302.3 million). The decrease was mainly due to lower inventories recorded as at 31 March 2015, in line with the lower activity levels for FY2015. The inventories were also reduced by S\$38.0 million in FY2015 as a result of assets capitalisation exercise mentioned above.

Total liabilities of the Group decreased by S\$17.5 million from S\$289.9 million as at 31 March 2014 to S\$272.4 million as at 31 March 2015, arising from the net repayment of bank borrowings in FY2015.

The Group's total equity was S\$179.0 million as at 31 March 2015 (31 March 2014: S\$198.2 million), while net asset value per ordinary share was 14.8 cents (31 March 2014: 16.4 cents).

31 March 2014 versus 31 March 2013

The Group's non-current assets amounted to S\$185.8 million as at 31 March 2014 (31 March 2013: S\$201.2 million). Property, plant and equipment decreased to S\$166.8 million as at 31 March 2014 from S\$184.6 million as at 31 March 2013 following the depreciation charges of S\$27.4 million recorded in FY2014.

The Group's current assets of S\$302.3 million as at 31 March 2014 was largely similar to S\$304.2 million as at 31 March 2013.

Total liabilities of the Group decreased by S\$20.5 million from S\$310.4 million as at 31 March 2013 to S\$289.9 million as at 31 March 2014, mainly due to net repayment of bank borrowings in FY2014.

The Group's total equity was S\$198.2 million as at 31 March 2014 (31 March 2013: S\$194.9 million), while net asset value per ordinary share was 16.4 cents (31 March 2013: 16.0 cents).

**APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE
GROUP FOR FY2013, FY2014 AND FY2015**

B.3 Consolidated Statement of Cash Flows

The audited Consolidated Statement of Cash Flows of the Group for FY2013, FY2014 and FY2015 are set out below:

	Audited FY2015 S\$'000	Audited FY2014 S\$'000	Audited FY2013 S\$'000
Cash flows from operating activities			
(Loss)/Profit for the year	(13,633)	6,179	(748)
Adjustments for:			
Allowance made for:			
- foreseeable losses on construction work-in-progress	316	-	-
- inventory obsolescence	-	44	-
Amortisation of intangible assets	-	-	23
Bad debts written off	272	181	329
Depreciation of property, plant and equipment	28,799	27,385	31,264
Gain on assignment and nomination of purchase rights of an industrial land	-	(2,797)	-
(Gain)/Loss on disposal of:			
- property, plant and equipment	(1,528)	(2,460)	(1,509)
- a subsidiary	-	2	906
Impairment losses made/(reversed) on:			
- property, plant and equipment	6,876	-	-
- trade and other receivables	(5,378)	1,254	9,531
Inventories written down	94	586	600
Inventories written off	8	3	410
Loss on liquidation of a subsidiary	-	212	-
Net finance expenses	3,616	3,989	5,858
Property, plant and equipment written off	-	4	24
Provision for liquidated damages	5,197	-	-
Share of profit of a joint venture	(168)	(276)	(263)
Tax expense/(credit)	429	(580)	(78)
Operating activities before working capital changes	<u>24,900</u>	<u>33,726</u>	<u>46,347</u>
Changes in working capital:			
Inventories	7,212	857	1,710
Trade and other receivables	22,304	6,632	(25,777)
Trade and other payables	12,053	5,497	10,552
Cash generated from operations	<u>66,469</u>	<u>46,712</u>	<u>32,832</u>
Taxes paid	(2,384)	(2,416)	(2,385)
Interest received	73	37	159
Net cash generated from operating activities	<u>64,158</u>	<u>44,333</u>	<u>30,606</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	(9,633)	(4,503)	(14,003)
Proceeds from assignment and nomination of purchase rights of an industrial land	-	2,797	-
Proceeds from disposal of:			
- property, plant and equipment	3,160	8,410	2,401
- subsidiaries in previous year	337	342	-
Disposal of subsidiaries, net of cash disposed of	-	(4)	(242)
Acquisition of non-controlling interests	(2,133)	-	(1,690)
Acquisition of other investment	-	(1,924)	-
Net cash (used in)/generated from investing activities	<u>(8,269)</u>	<u>5,118</u>	<u>(13,534)</u>

**APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE
GROUP FOR FY2013, FY2014 AND FY2015**

	Audited FY2015 S\$'000	Audited FY2014 S\$'000	Audited FY2013 S\$'000
Cash flows from financing activities			
Interest paid	(3,805)	(4,286)	(4,954)
Dividends paid:			
- owners of the Company	(1,210)	(728)	(1,587)
- non-controlling interests of subsidiaries	(600)	(195)	(219)
Proceeds from:			
- bank loans and hire purchase loans	50,194	46,333	41,352
- bills payable	48,800	81,765	116,267
- capital contribution from non-controlling interests of a subsidiary	-	-	213
- cash grant from Productivity and Innovation Credit Scheme for acquisition of property, plant and equipment	68	129	-
Purchase of treasury shares	(18)	(912)	(374)
Redemption of preference shares	-	(1,100)	-
Repayment of:			
- bank loans	(46,815)	(38,321)	(21,439)
- bills payable	(55,900)	(90,248)	(117,774)
- finance lease liabilities	(36,333)	(37,796)	(40,919)
Decrease in fixed deposits pledged	-	-	900
Net cash used in financing activities	(45,619)	(45,359)	(28,534)
Net increase/(decrease) in cash and cash equivalents	10,270	4,092	(11,462)
Cash and cash equivalents at 1 April	7,927	3,920	15,667
Effect of exchange rate changes on balances held in foreign currencies	98	(85)	(285)
Cash and cash equivalents at 31 March	18,295	7,927	3,920

A review of the cash flows of the Group for the relevant periods is set out below:

FY2015 versus FY2014

Net cash inflow from operating activities for FY2015 improved significantly to S\$64.2 million from S\$44.3 million for FY2014. This was the result of the Group's efforts in managing its inventories and trade receivables in FY2015.

The Group recorded a net cash outflow from investing activities of S\$8.3 million for FY2015 compared to a net cash inflow of S\$5.1 million for FY2014, when the Group generated proceeds of S\$3.5 million from the sale of a leasehold building. In addition, the Group also received S\$2.8 million for the nomination and assignment of the Group's purchase rights of a land parcel in Iskandar Malaysia to a third party in FY2014.

Net cash outflow from financing activities of S\$45.6 million for FY2015 was comparable to FY2014's S\$45.4 million.

The Group ended 31 March 2015 with cash and cash equivalents of S\$18.3 million, an increase of S\$10.3 million for FY2015.

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

FY2014 versus FY2013

Net cash inflow from operating activities for FY2014 was higher at S\$44.3 million (FY2013: S\$30.6 million).

For FY2014, the Group recorded a net cash inflow from investing activities of S\$5.1 million compared to a net cash outflow of S\$13.5 million in FY2013 mainly due to proceeds from the sale of a leasehold building and old equipment in FY2014. In addition, there was a decrease in investments in fixed assets, as well as expenses incurred for the replacement of older equipment in FY2014.

The Group's net cash outflow from financing activities for FY2014 was S\$45.4 million (FY2013: S\$28.5 million), arising from the net repayment of bank borrowings in FY2014.

The Group ended 31 March 2014 with cash and cash equivalents of S\$7.9 million, an improvement from a position of S\$3.9 million as at 31 March 2013.

B.4 Working Capital

The Working Capital of the Group as at 31 March 2013, 31 March 2014 and 31 March 2015 are set out below:

	Audited 31 March 2015 S\$'000	Audited 31 March 2014 S\$'000	Audited 31 March 2013 S\$'000
Current assets			
Inventories	27,001	71,295	64,014
Derivatives	-	22	-
Trade and other receivables	202,879	217,915	227,608
Cash and cash equivalents	19,167	13,020	9,485
Non-current assets classified as held for sale	-	83	3,051
Total current assets	249,047	302,335	304,158
Current liabilities			
Loans and borrowings	86,358	104,528	108,401
Derivatives	-	2	18
Trade and other payables	139,035	126,593	125,185
Excess of progress billings over construction work-in-progress	7,806	8,136	9,797
Current tax payable	1,749	998	1,198
Provision for liquidated damages	5,164	-	-
Total current liabilities	240,112	240,257	244,599
Working capital	8,935	62,078	59,559

APPENDIX B – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2013, FY2014 AND FY2015

A review of the working capital of the Group for the relevant periods is set out below:

31 March 2015 versus 31 March 2014

The Group's working capital declined by S\$53.1 million to S\$8.9 million as at 31 March 2015 (31 March 2014: S\$62.1 million). The decrease was mainly due to lower inventories recorded as at 31 March 2015, in line with the lower activity levels for FY2015. In addition, the Group capitalised certain equipment with carrying amounts of S\$38.0 million from inventories as property, plant and equipment in FY2015 (FY2014: S\$4.1 million).

31 March 2014 versus 31 March 2013

The Group's working capital increased marginally from S\$59.6 million as at 31 March 2013 to S\$62.1 million as at 31 March 2014. Trade and progress billing receivables decreased by S\$11.7 million to S\$204.0 million as at 31 March 2014 (31 March 2013: S\$215.7 million) as a result of lower revenue for FY2014. However, the increase in inventories and cash and cash equivalents of \$10.8 million had set off the decrease in trade and progress billing receivables. Short term loans and borrowings decreased by S\$3.9 million to S\$104.5 million as at 31 March 2014 (31 March 2013: S\$108.4 million) arising from the net repayments made in FY2014.

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INDEPENDENT FINANCIAL ADVISER'S LETTER

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N

12 November 2015

The Independent Directors
CSC Holdings Limited
2 Tanjung Penjuru Crescent
Singapore 608968

Dear Sirs,

THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY THE INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM THE CONCERT PARTY GROUP FOR ALL THE ISSUED SHARES IN THE CAPITAL OF THE COMPANY NOT ALREADY OWNED OR CONTROLLED BY THEM, AS A RESULT OF THE CONCERT PARTY GROUP'S SUBSCRIPTION OF THE RIGHT SHARES AND WARRANT SHARES ARISING FROM THE EXERCISE OF THE WARRANTS UNDER THE RIGHTS CUM WARRANTS ISSUE (THE "WHITEWASH RESOLUTION").

*For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the circular dated 12 November 2015 to the shareholders of CSC Holdings Limited (the "**Circular**").*

1. INTRODUCTION

On 12 November 2015, the board of directors (the "**Directors**") of CSC Holdings Limited (the "**Company**") is proposing to, on a renounceable non-underwritten basis, offer up to 403,241,241 Rights Shares at an Issue price of S\$0.025 per Rights Share, and up to 2,016,206,205 Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at the Exercise Price of S\$0.01 per Warrant Share, on the basis of one (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at a time and date to be determined by the Directors for the purpose of determining the Shareholders' entitlements under the Rights cum Warrants Issue (the "**Books Closure Date**"), fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed.

Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue (the "**Excess Applications**").

Accordingly, the subscription and payment by the Concert Party Group for their pro-rata entitlement of Rights Shares with Warrants may result in the Concert Party Group increasing their aggregate shareholdings in the Company by 1% or more within a period of six (6) months if all Entitled Shareholders do not subscribe to their proportionate Rights Shares with Warrants. In such event, the Concert Party Group would incur an obligation to make a mandatory general offer for the Company under Rule 14 of the Code unless such obligation to make a mandatory general offer for the Company is waived by the SIC. Accordingly, the Company had on 17 August 2015 made an application to the SIC seeking a waiver of the obligations of the Concert Party Group to make a mandatory general offer for the Company under Rule 14 of the Code as a result of the subscription of the Rights Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue (the "**Whitewash Waiver**")

APPENDIX C – LETTER FROM IFA

On 12 October 2015, the SIC granted the Whitewash Waiver subject to, *inter alia*, the satisfaction of the conditions mentioned in section 5.2 of the Circular.

We, Deloitte & Touche Corporate Finance Pte Ltd (“DTCF”), have been appointed as independent financial adviser (“IFA”) to the Independent Directors in respect of whether the Whitewash Resolution is prejudicial to the interests of the Independent Shareholders.

This letter, which sets out our evaluation for the Independent Directors in respect of this engagement, is an integral part of the Circular.

2. TERMS OF REFERENCE

Our responsibility is to provide our opinion in respect to the Whitewash Resolution.

We were neither a party to the negotiations nor were we involved in the deliberations leading up to the decision on the part of the Directors to undertake the Rights cum Warrants Issue.

We do not, by this letter or otherwise, advise or form any judgement on the strategic or commercial merits or risks of the Rights cum Warrants Issue. All such evaluations, advice, judgements or comments remain the sole responsibility of the Directors and their advisors.

We have however drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinion.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of the Company. We do not express any view as to the price at which the Shares may trade upon completion of the Rights cum Warrants Issue nor on the future value, financial performance or condition of the Company after the Rights cum Warrants Issue.

It is also not within our terms of reference to compare the merits of the Rights cum Warrants Issue to any other capital sources that were or may have been available to the Company. Such comparison and consideration remain the responsibility of the Directors and their advisors.

In the course of our evaluation, we have held discussions with the Directors and the management of the Company, and have considered the information contained in the Circular, publicly available information collated by us as well as information, both written and verbal, provided to us by the management. We have relied upon and assumed the accuracy of the relevant information, both written and verbal, provided to us by the aforesaid parties and have not independently verified such information, whether written or verbal, and accordingly cannot and do not warrant, and do not accept any responsibility for the accuracy, completeness and adequacy of such information. We have not independently verified and have assumed that all statements of fact, belief, opinion and intention made by the Directors in the Circular have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty (whether express or implied) is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information. We have nonetheless made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the reliability of such information.

Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on and our analysis of the information made available to us as at the Latest Practicable Date. We assume no responsibility to update, revise or re-affirm our opinion, factors or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or factors or assumptions contained herein. The Independent Shareholders should take note of any announcements relevant to their considerations of the Rights cum Warrants Issue which may be released by the Company after the Latest Practicable Date.

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The Company has been separately advised by its own legal advisor in the preparation of the Circular other than this letter. We have had no role or involvement and have not provided any advice whatsoever in the preparation, review and verification of the Circular other than this letter. Accordingly, we take no responsibility for, and express no views, whether express or implied, on the contents of the Circular except for this letter.

Our opinion in relation to the Whitewash Resolution should be considered in the context of the entirety of this letter and Circular. While a copy of this letter may be reproduced in the Circular, the Company may not reproduce, disseminate or quote this letter or any part thereof for any purpose, other than for the purpose stated herein, without our prior written consent in each instance.

We have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Independent Shareholder. As the Independent Shareholders will have different investment objectives, we advise the Independent Directors to recommend that any Independent Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisors.

3. THE RIGHTS CUM WARRANTS ISSUE

The Rights cum Warrants Issue is made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of one (1) Rights Share for every three (3) Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed.

The Issue Price is S\$0.025 for each Rights Share and the Exercise Price for each Warrant Share is S\$0.01 per Warrant Share.

The Rights Shares are payable in full upon acceptance and/or application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

Based on the Existing Share Capital, and assuming that all of the Entitled Shareholders subscribe and pay for their pro-rata entitlements of Rights Shares with Warrants (the “Maximum Subscription Scenario”), the Company will issue 403,241,241 Rights Shares and 2,016,206,205 Warrants under the Rights cum Warrants Issue. Upon the allotment and issuance of the Rights Shares, the Company will have an issued share capital comprising 1,612,964,966 Shares. If all the Warrants issued are exercised into Warrant Shares, the Company will have an issued share capital comprising 3,629,171,171 Shares.

Further details on the Proposed Rights cum Warrants Issue are set out in Sections 2, 3 and 4 of the Circular.

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4. THE WHITEWASH RESOLUTION

4.1. Rule 14 of the Code

Under Rule 14 of the Code, except with the consent of the SIC, 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% or more of the voting rights of the Company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer immediately to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold Shares in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

As at the Latest Practicable Date, the Concert Party Group holds in aggregate 413,191,271 Shares, representing approximately 34.2% of the Existing Share Capital.

5. EVALUATION OF THE WHITEWASH RESOLUTION

In our evaluation of the Whitewash Resolution, we have given due consideration to the following key factors:

- (a) the rationale of the Rights cum Warrants Issue and use of proceeds;
- (b) funding alternatives;
- (c) the Rights cum Warrants Issue being offered to Entitled Shareholders on a *pro-rata* basis;
- (d) potential dilution effect on the Independent Shareholders;
- (e) an assessment of the Issue Price; and
- (f) other relevant considerations.

5.1. Rationale of the Rights cum Warrants Issue and Use of Proceeds

We reproduce below the rationale of the Rights cum Warrants Issue and use of proceeds as set out in section 2.6 of the Letter to Shareholders in the Circular:

The Company is undertaking the Rights cum Warrants Issue to strengthen the financial position and capital base of the Group. The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company, and will allow the Group to be less reliant on external sources of funding. The net proceeds arising from the Rights cum Warrants Issue will equip the Company with readily available cash resources to take advantage of opportunities that may arise and execute its business and expansion plans. With the available cash reserves, the Company will be able to participate in opportunities and business plans that require a larger cash outlay.

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The Company is strengthening its financial position and increasing its capital base in anticipation of its joint venture with New Hope Singapore Premix Pte Ltd in relation to the acquisition and development of the land Plot 48 at Tuas South Street 9 (as announced by the Company on 12 February 2015). Pursuant to the terms of the joint venture agreement dated 12 February 2015, the parties shall jointly undertake to carry out the business of owning, developing and managing the land through a joint venture company, NH Singapore Biotechnology Pte Ltd (the “JV Company”). The parties intend for the JV Company to develop modern high value-added factory, fabrication yards and workshops to support the operations of each of their respective operations (the “Tuas Yard”).

Such development by the JV Company is capital intensive and requires substantial capital outlay during the development phase. Depending on the eventual size and complexity, it may take one or more years before the benefits from the same will be fully realised by the Company. The ability of the Company to arrange financing and the cost of such financing are dependent on global economic conditions, capital and debt market conditions, lending policies of the government and banks, and other factors. The Group’s business may not be able to generate sufficient cash flows to fund the development, and there can be no assurance that international or domestic financing for the development will be available on terms favourable to the Company or at all. Interest rate fluctuations are of particular concern, especially interest rate hikes. The Company’s ability to obtain financing on favourable terms is dependent on a multitude, which are inherently variable and difficult to predict. Thus, the Company has decided to proceed with the Rights cum Warrants Issue.

As at 30 June 2015, the Company’s external funding from financial institutions amounted to S\$110.6 million.

In the Maximum Subscription Scenario, the estimated net proceeds arising from the Rights cum Warrants Issue, after deducting estimated costs and expenses of S\$0.3 million relating thereto, and the intended use of such net proceeds (in the following order of priority) are set out below:

Use of Proceeds	Maximum Subscription Scenario	
	Amount (S\$ million)	Percentage (%)
1. Financing of new Tuas Yard to be constructed and its related equipment expenditures	5.5 to 7.0	56 to 71
2. Working capital purposes	2.8 to 4.3	29 to 44
Net proceeds arising from the Rights cum Warrants Issue, before the exercise of the Warrants	9.8	100

As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions and/or strategic investments, working capital and/or such other purposes as the Directors may deem fit

Up to approximately
S\$20.2 million arising from the
exercise of all of the Warrants

Pending the deployment of the net proceeds raised from the Rights cum Warrants Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of the proceeds from the Rights cum Warrants Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights cum Warrants Issue in the annual report(s) of the Company, until such time the proceeds have been fully utilised.

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5.2 Funding Alternatives

We understand from the Company that the Directors have considered other fund-raising options prior to proceeding with the Rights cum Warrants Issue. Having considered that (i) the Group's business may not be able to generate sufficient cash flows to fund the development, and there can be no assurance that international or domestic financing for the development will be available on terms favourable to the Company; and (ii) other fund-raising options such as private share placements would not be on a pro-rata basis that will provide the Shareholders with an opportunity to maintain their proportionate equity in the Company, the Directors have decided to proceed with the Rights cum Warrants Issue.

5.3 Proposed Rights cum Warrants Issue is being offered to Entitled Shareholders on a pro-rata basis

The Proposed Rights cum Warrants issue is being offered on a pro-rata to Entitled Shareholders. We noted the following which is reproduced from section 2.1 of the Circular.

“Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue (the “Excess Applications”).

Fractional entitlements to the Rights Shares with Warrants, if any, will be disregarded in arriving at Shareholders' entitlements and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy Excess Applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of excess Rights Shares with Warrants, the Company will allocate the excess Rights Shares with Warrants in a manner deemed fit and appropriate, either proportionately based on (i) the shareholding of the Entitled Shareholders applying for excess Rights Shares with Warrants; or (ii) the number of excess Rights Shares with Warrants applied for by each Entitled Shareholder. The allocation method will be decided based on the results of the Rights Shares with Warrants applications by the Directors after the last date for acceptance and/or excess application and payment for the Rights Shares with Warrants (the “Closing Date”). Preference will be given to the rounding of odd lots, and Directors, and substantial Shareholders who have an interest directly or indirectly in 5% or more of the total number of Shares (“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 cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.”

Accordingly, the Independent Shareholders will not be disadvantaged or prejudiced relative to the Concert Party Group in the allocation of their application for their entitlements of Rights Shares and excess Rights Shares pursuant to the Rights Issue.

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5.4 Potential dilution effect on the Independent Shareholders

We note that the Proposed Rights Issue will not result in any dilution impact on the shareholders in the Company in the event that all Shareholders subscribe to their full entitlement of Rights Shares under the Proposed Rights Issue. In this regard, a dilution impact will only occur for the Independent Shareholders who do not subscribe for their full entitlements of the Rights Shares under the Rights cum Warrants Issue.

Based on the scenario as outlined in section 5.1 of the Circular, assuming that the Concert Party Group subscribes and pays for their pro-rata entitlement of Rights Shares with Warrants, and none of the Entitled Shareholders (excluding the Concert Party Group) subscribes and pays for their pro-rata entitlement of Rights Shares with Warrants, the aggregate shareholding interests of the Concert Party Group in the Company would be approximately 40.9% following their subscription of the Rights Shares, and approximately 60.9% following their exercise of the Warrants, as illustrated in the table below:

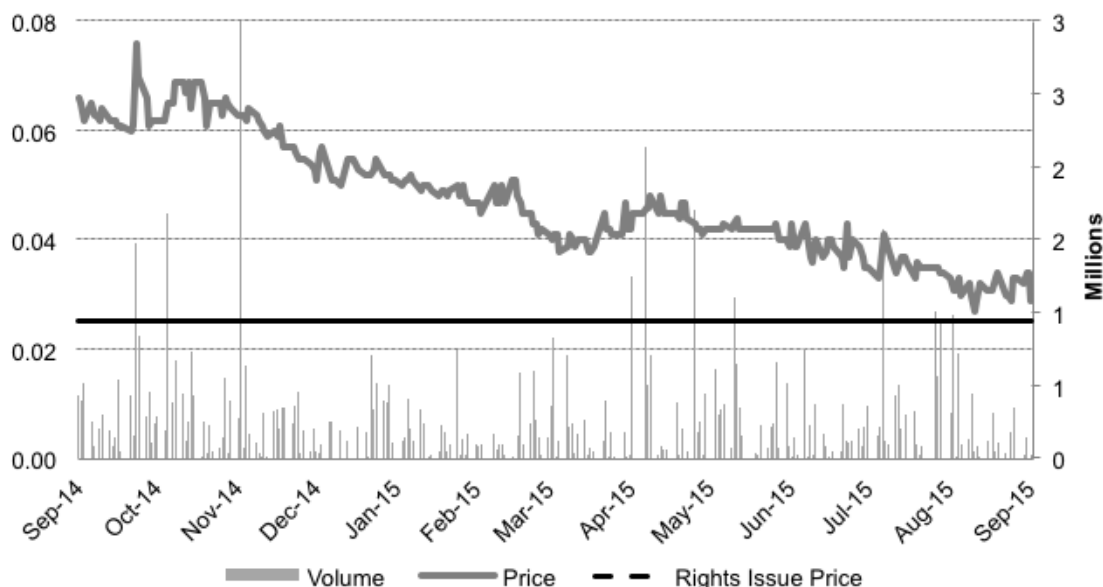
	- Before the Rights cum Warrants Issue - As at the Latest Practicable Date		- After the issue of the Rights Shares -		- After the exercise of the Warrants -	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Concert Party Group	413,191,271	34.2	550,921,694	40.9	1,239,573,809	60.9
Independent Shareholders	796,532,454	65.8	796,532,454	59.1	796,532,454	39.1
Total	<u>1,209,723,725</u>	<u>100.0</u>	<u>1,347,454,148</u>	<u>100.0</u>	<u>2,036,106,263</u>	<u>100.0</u>

5.5 Assessment of the Issue Price

In evaluating whether the Issue Price of S\$0.025 for each Rights Share is reasonable, we have considered the following factors:

a. Share price performance and volume

A graphical representation of the daily closing prices in Singapore Dollars and volume traded of the Shares for the period commencing 12 months prior to the Announcement is set out below:



Source: CapitalIQ

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Based on the above, we noted that during the 12-month period leading up to the Announcement, the closing price of the Shares ranged from S\$0.027 to S\$0.076.

b. Volume weighted average price per Share

The trading statistics of the Shares during the 12-month period prior to Announcement and up to the Latest Practicable Date are set out below:

	Lowest closing price (S\$)	Highest closing price (S\$)	Volume- weighted closing price average price ("VWAP") (S\$)	Discount of Issue Price to VWAP (%)
Periods prior to the Announcement				
Last 12 months	0.030	0.069	0.051	51.1%
Last 6 months	0.030	0.050	0.041	38.5%
Last 3 months	0.030	0.043	0.037	32.0%
Last one month	0.030	0.038	0.035	29.5%
Last Market Day up to the Announcement ⁽¹⁾		0.033	0.033	24.5%
As at the Latest Practicable Date		0.032	0.032	21.9%

Source: Bloomberg

Note:

(1) This refers to 17 August 2015, being the last Market Day on which the Shares were traded prior to the Announcement.

We note the following:

- (i) the Issue Price represents a discount of 51.1%, 38.5%, 32.0% and 29.5% to the VWAP of the Shares for the 12 month, 6 month, 3 month and one month period prior to the Announcement respectively;
- (ii) the Issue Price represents a discount of 24.5% to the VWAP of the Shares on the Last Market Day prior to Announcement; and
- (iii) the Issue Price represents a discount of 21.9% to the VWAP of the Shares on the Latest Practicable Date.

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c. Market statistics of selected rights issues

In assessing the reasonableness of the Issue Price, we have reviewed the terms of recent selected precedent rights issue undertaken by companies listed on the SGX-ST (the “Comparable Transactions”) where the rights issue are renounceable, non-Underwritten and includes whitewash resolution, during the period from 20 June 2014 to the Latest Practicable Date. The table below summarises the statistics of the Comparable Transactions:

Company	Announced Date	Terms of Rights Issue	Issue price of rights shares (S\$)	Exercise price of warrants (S\$)	Theoretical ex-rights price (S\$)	Rights discount to theoretical ex-rights price (%)	Warrants Exercise Price premium/ discount to theoretical ex-rights price (%)
CSC Holdings Limited	17-Aug-15	1 rights share for every 3 existing shares and 5 warrants for every 1 rights share	0.0250	0.0100	0.0310	19.35	-67.74
Krisenergy Ltd	15-Jun-15	42 rights shares for every 100 existing shares	0.3850	N.A. ¹	0.4270	9.89	N.A. ¹
Great Group Holdings Limited	31-Dec-14	7 rights share for every 1 existing share	0.0050	N.A. ¹	0.0100	50.00	N.A. ¹
Yoma Strategic Holdings Ltd	3-Sep-14	1 rights share for every 3 existing shares	0.3800	N.A. ¹	0.6300	39.63	N.A. ¹
Sitra Holdings (International) Limited	23-May-14	7 rights share for every 5 existing shares	0.0100	N.A. ¹	0.0192	47.80	N.A. ¹
EMS Energy Limited	5-May-14	1 rights share for every 1 existing share	0.0200	N.A. ¹	0.0390	48.72	N.A. ¹
KLW Holdings Ltd	15-May-14	1 rights share with 1 warrant for every 1 existing share	0.0200	0.0700	0.0300	33.33	133.33
Blumont Group Ltd	18-Mar-15	1 rights share for every 1 existing share and 1 warrant for every 1 rights share	0.0100	0.0120	0.0100 ²	0.00	20.00
Annica Holdings Limited	1-Apr-15	1 rights share for every 1 existing share and 1 warrant for every 1 rights share	0.0030	0.0050	0.0040 ²	25.00	25.00
Elektromotive Group Limited	20-Jan-15	1 rights share for every 1 existing share and 2 warrants for every 1 rights share	0.0045	0.0050	0.0048	6.25	4.17
Innopac Holdings Limited	20-Jun-14	2 rights share for every 1 existing share and 1 warrant for every 2 rights share	0.0100	0.0120	0.0127 ²	21.05	-5.26

Sources: Bloomberg, company's announcements, circulars and DTCF's computations.

Notes:

- (1) N.A. refers to not applicable.
- (2) The theoretical ex-rights price is calculated based on the share price on the last trading date immediately prior to the date of the Announcement, and the number of Shares following completion of the Rights Issue.

APPENDIX C – LETTER FROM IFA

In reviewing the information above, we note the following:

- (i) the discount of the Issue Price to theoretical ex-rights price (“TERP”) is within the range of discount to TERP noted for Comparable Transactions;
- (ii) the discount of the Warrants Exercise Price to TERP is above the range of discount to TERP noted for Comparable Transactions.

We also wish to highlight that the transactions shown are influenced by many factors including the market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, financial performance, operating and financial leverage, risk profile, liquidity, future prospects and other relevant criteria of the issuer. **As a result, any comparisons drawn can serve only as an illustrative guide.**

5.6 Other Relevant Considerations

(a) **Financial effects of the Rights cum Warrants Issue**

The financial effects of the Rights cum Warrants Issue have been set out in section 4 of the Circular.

(b) **Minimum Trading Price and Associated Risks**

On 10 February 2015, the SGX-ST issued a press release announcing the introduction on 2 March 2015 of a minimum trading price requirement of S\$0.20 per share as a continuing listing requirement for issuers listed on the Main Board (the “MTP Requirement”). The MTP Requirement will be effective after 1 March 2016. The Company, being listed on the Main Board, is required to satisfy the MTP Requirement.

As at the Latest Practicable Date, the Shares of the Company are trading at a price significantly lower than S\$0.20. It is likely that after the completion of the Rights cum Warrants Issue, the Share will trade at an even lower price. **For illustration purposes only**, in the Maximum Subscription Scenario and assuming that all the Warrants Shares are issued, the theoretical share price of the Company will be S\$0.019 based on the share price of the Latest Practicable Date. The Company is contemplating several options to meet the MTP Requirement, including:

- (a) a share consolidation exercise; or
- (b) transfer of its listing to Catalist, as the MTP Requirement does not apply to issuers listed on Catalist.

Shareholders should note that in the event that the Company is unable to meet the MTP Requirement by March 2016, the Company will be placed on the watch-list. If the Company is placed on the watch-list in March 2016, and it is still unable to comply with the MTP Requirement by March 2019, the Company will be delisted from the SGX-ST.

Shareholders should further note that CPF Funds cannot be used to purchase shares of issuers on watch-list or issuers that are listed on the Catalist (except for companies that were migrated from the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ) to the Catalist on 17 December 2007). Accordingly, if the Company is placed on watch-list or decides to transfer its listing to the Catalist, CPF Funds can no longer be used to purchase the Company’s Shares. Shareholders who have previously bought Shares under the CPFIS prior the Company being placed on watch-list or transfer to Catalist, can choose to hold or sell their Shares or participate in corporate actions, subject to the applicable CPFIS rules and limits for these Shares.

APPENDIX C – LETTER FROM IFA

The Board will consider all options available to the Company in order to meet the MTP Requirement. It is the current intention of the Company to make an announcement before 31 March 2016, which is the end of its current financial year, to inform the Shareholders as to how the Company intends to meet the MTP Requirement.

(c) **Proposed Rights cum Warrants Issue and the Proposed Whitewash Resolution are inter-conditional**

Independent Shareholders should note that the Proposed Rights cum Warrants Issue is conditional upon them voting in favour of the Proposed Whitewash Resolution. In view of this, in the event that the Whitewash Resolution is not passed by the Independent Shareholders, the Proposed Rights cum Warrants Issue will not take place.

We noted the following which is reproduced from section 7 of the Circular:

“The approval of the Whitewash Resolution and the Rights cum Warrants Issue are each conditional on each other.”

(d) **Support for the Rights cum Warrants Issue by Concert Party Group**

The Concert Party Group has indicated their interest to the Board to subscribe and pay for, and/or procure the subscription and payment for, their *pro-rata* entitlement of 137,730,423 Rights Shares with Warrants under the Rights cum Warrants Issue to demonstrate their support for the Rights cum Warrants Issue.

6. OUR RECOMMENDATION

In arriving at our recommendation on the Whitewash Resolution, we have taken into account the following factors which we consider to have significant bearing on our assessment of the Whitewash Resolution:

- (a) the rationale of the Proposed Rights cum Warrants Issue and use of proceeds;
- (b) funding alternatives;
- (c) the Proposed Rights Shares being offered to Entitled Shareholders on a pro-rata basis;
- (d) the Potential dilution effect on the Independent Shareholders;
- (e) the Issue Price is below the trading range during the 12-month period leading up to the Announcement;
- (f) the Issue Price represents a discount of 51.1%, 38.5%, 32.0%, and 29.5% to the VWAP of the Shares for the 12 month, 6 month, 3 month and one month period prior to Announcement respectively;
- (g) the Issue Price represents a discount of 24.5% to the VWAP of the Shares on the Last Market Day prior to Announcement;
- (h) the Issue Price represents a discount of 21.9% to the VWAP of the Shares on the Latest Practicable Date;
- (i) the discount of Issue Price to TERP is within the range of discount to TERP noted for Comparable Transactions;

APPENDIX C – LETTER FROM IFA

- (j) the discount of Warrant Exercise Price to TERP is above the range of discount to TERP noted for Comparable Transactions;
- (k) the financial effects of the Rights cum Warrants Issue;
- (l) the Minimum Trading Price and Associate risks;
- (m) the Proposed Rights cum Warrants Issue and the Whitewash Resolution being inter-conditional;
- (n) support for the Rights cum Warrants Issue by the Concert Party Group.

Having considered the above and subject to the assumptions and qualifications set out herein and taking into account the prevailing conditions as at Latest Practicable Date, we are of the opinion that the Whitewash Resolution (the terms of which are fair and reasonable) in context of the Rights cum Warrants Issue will not be prejudicial to the interests of the CSC Holdings Limited and its Independent Shareholders.

Accordingly, we advise that the Independent Directors may recommend that the Shareholders vote in favour of the Whitewash Resolution.

Our recommendation is addressed to the Independent Directors for their benefit in connection with and for the purpose of their consideration of the Rights cum Warrants Issue. Any recommendation made by the Independent Directors in respect of the Rights cum Warrants Issue shall remain their responsibility.

Our recommendation is governed by the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd

Ng Jiak See
Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the Shareholders of CSC Holdings Limited (the “**Company**”) will be held on 27 November 2015 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 for the purposes of considering and, if thought fit, passing (with or without modifications) the resolutions set out below.

All capitalised terms used in this notice which are not defined herein shall have the meanings ascribed to them in the Circular dated 12 November 2015 to Shareholders of the Company.

AS ORDINARY RESOLUTIONS:

ORDINARY RESOLUTION 1

THE PROPOSED RIGHTS CUM WARRANTS ISSUE

Subject to the approval of Ordinary Resolution 2 below:

- (a) a renounceable non-underwritten Rights cum Warrants Issue by the Company of up to 403,241,241 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.025 per Rights Share, with up to 2,016,206,205 free detachable warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.01 per Warrant Share, on the basis of one Rights Share for every three (3) existing Shares held by shareholders of the Company (the “**Shareholders**”) as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed, be and is hereby approved;
- (b) the Board of Directors be and is hereby authorised to:
- (i) create and issue:
- a. such number of Rights Shares as the Directors may determine up to a maximum of 403,241,241 Rights Shares at an issue price of S\$0.025 per Rights Share;
 - b. such number of free detachable Warrants as the Directors may determine up to a maximum of 2,016,206,205 free Warrants to be issued together with the Rights Shares, with each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.01 per Warrant Share during the period commencing on and including the date of issue of the Warrants and expiring on the day immediately preceding the fifth (5th) anniversary of such date of issue, subject to the terms and conditions of the Deed Poll constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may deem fit;
 - c. such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (ii) provisionally allot and issue up to 403,241,241 Rights Shares with up to 2,016,206,205 free Warrants, at an issue price of S\$0.025 per Rights Share, on the basis of one Rights Share for every three (3) Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed, on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:
- a. the provisional allotments of the Rights Shares under the Rights cum Warrants Issue shall be made on a renounceable basis to Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited (“**CDP**”) as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the share register of the Company (the “**Share Register**”), as the case may be, addresses in Singapore for the service of notices and documents;
 - b. no provisional allotments of the Rights Shares shall be made in favour of, and no application form or other documents in respect thereof shall be issued or sent to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the Share Register, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
 - c. the entitlements to the Rights Shares which would otherwise accrue to Foreign Shareholders shall be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit, including without limitation to be sold “nil-paid” on the SGX-ST and to pool and thereafter distribute the net proceeds thereof, if any (after deducting all expenses), proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - d. provisional allotments of the Rights Shares which are not taken up or allotted for any reason, or which represent fractional entitlements disregarded in accordance with the terms of the Rights cum Warrants Issue, shall be used to satisfy Excess Applications or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - e. the Rights Shares when issued and fully paid-up will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the Record Date for which falls before the date of issue of the Rights Shares;
 - f. the Warrant Shares to be issued on exercise of the Warrants will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the Record Date for which falls before the date of exercise of the Warrants;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:
- (i) a maximum of 2,016,206,205 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank *pari passu* in all respects with the then existing Shares (save as may otherwise be provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the Record Date for which falls before the date of exercise of the Warrants;
 - (ii) on the same basis as paragraph (c)(i) above, such further Warrant Shares as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (b) above; and
- (d) the Directors be and are hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Rights cum Warrants Issue, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this ordinary resolution or the transactions contemplated pursuant to or in connection with the Rights cum Warrants Issue.

ORDINARY RESOLUTION 2

THE WHITEWASH RESOLUTION

Subject to and contingent upon the passing of Ordinary Resolution 1 and the satisfaction of all the conditions set out in the Securities Industry Council's ("SIC") letter dated 12 October 2015, the Shareholders of the Company (other than the Concert Party Group), do hereby, on a poll taken, unconditionally and irrevocably waive their rights to receive a mandatory general offer under Rule 14 of the Code from the Concert Party Group, in respect of all or any part of the Shares held by such Shareholders, in the event that their subscription of the Rights Shares and Warrant Shares arising from the exercise of the Warrants under the Rights cum Warrants Issue results in them incurring an obligation to make a mandatory general offer pursuant to Rule 14 of the Code.

Voting Exclusion: The Company will, in accordance with the conditional waiver by the SIC, disregard any votes cast on this resolution by the Concert Party Group and any parties not independent of them. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD
CSC HOLDINGS LIMITED

See Yen Tarn
Group Chief Executive Officer

12 November 2015

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTES:

1. *A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy or proxies (not more than two (2)) to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.*
3. *The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.*
4. *The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968 at least 48 hours before the time fixed for the Extraordinary General Meeting.*
5. *Please note that as the Concert Party Group and parties not independent of them are abstaining from voting on Ordinary Resolution 2 relating to the Whitewash Resolution (as set out above), they will not accept nominations as proxy or otherwise for voting on the Whitewash Resolution, unless specified instructions as to voting are given. Shareholders are advised not to appoint any of them as their proxy.*
6. *CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.*

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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CSC HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199707845E)

IMPORTANT:

1. For investors who have used their CPF monies to buy CSC Holdings Limited shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM

I/We (Name) _____ (NRIC/Passport No.) _____

of (Address) _____

being a shareholder/ member of **CSC HOLDINGS LIMITED** (the “Company”) hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of Shareholding	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC / Passport No.	Proportion of Shareholding	
			No. of Shares	%

or failing whom the Chairman of the Extraordinary General Meeting as *my/our proxy/proxies to vote for *me/ us on *my/our behalf at the Extraordinary General Meeting of the Company to be convened on 27 November 2015 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 and at any adjournment thereof.

*I/We direct *my/our proxy/ proxies to vote for or against the Resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the Extraordinary General Meeting.

No.	Ordinary Resolutions	No. of votes for ⁽¹⁾	No. of votes against ⁽¹⁾
1.	To approve the Rights cum Warrants Issue		
2.	To approve the Whitewash Resolution		

Notes:

(1) If you wish to exercise all your votes “For” or “Against”, please indicate with a tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2015.

Total Number of Shares held	
CDP Register	
Register of Members	

Signature(s) of Member(s)/
Common Seal of Corporate Member

***Delete accordingly**

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

NOTES:

1. *A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy or proxies (not more than two (2)) to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.*
3. *A corporation which is a member of the Company may, in accordance with Section 179 of the Companies Act (Cap. 50) of Singapore, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting.*
4. *The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.*
5. *The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968 at least 48 hours before the time fixed for the Extraordinary General Meeting.*
6. *Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act (Cap. 50) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.*
7. *The Company shall be entitled to reject the instrument appointing a proxy or proxies, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if a member of the Company, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.*
8. *By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 12 November 2015.*