

OFFER INFORMATION STATEMENT DATED 23 SEPTEMBER 2019
(Lodged with the Monetary Authority of Singapore on 23 September 2019)

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

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

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("SGX-ST") for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation for the Rights Shares on the Main Board of the SGX-ST will commence after all conditions imposed by the SGX-ST are satisfied, including, all the certificates relating thereto having been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") having been despatched.

Approval in-principle granted by the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights Shares, Chip Eng Seng Corporation Ltd. (the "Company") and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.

This Offer Information Statement shall not constitute an offer to sell or a solicitation of an offer to buy shares or other securities, including the Nil-Paid Rights and the Rights Shares, nor shall there be any sale of any shares or other securities, including the Nil-Paid Rights and the Rights Shares, in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Offer Information Statement and its accompanying documents have been prepared solely in relation to the Rights Issue and shall not be relied upon by any other person or for any other purpose. Persons to whom a copy of this Offer Information Statement has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Information Statement or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Offer Information Statement and/or the transfer of the Nil-Paid Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

No Rights Shares or Nil-Paid Rights may be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority. Your attention is drawn to the section titled "Risk Factors" in **Appendix A** to this Offer Information Statement, which you should review carefully.



CHIP ENG SENG CORPORATION LTD.

(Incorporated in the Republic of Singapore on 23 October 1998)
(Company Registration Number: 199805196H)

RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 156,503,515 RIGHTS SHARES AT AN ISSUE PRICE OF S\$0.63 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING SHARES (AS DEFINED HEREIN) HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Manager and Underwriter of the Rights Issue



UNITED OVERSEAS BANK LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 193500026Z)

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of Nil-Paid Rights	:	4 October 2019 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	10 October 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein) through ATMs (as defined herein) of Participating Banks (as defined herein))
Last date and time for renunciation of and payment for Rights Shares	:	10 October 2019 at 5.00 p.m.
Last date and time for application and payment for Excess Rights Shares	:	10 October 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

IMPORTANT NOTICE

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

Notification under Section 309B of the SFA: The Nil-Paid Rights and the Rights Shares are classified as “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

For Entitled Depositors (which excludes Entitled Scripholders, CPFIS Members, SRS investors and investors who hold Shares through finance companies and/or Depository Agents), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar.

For CPFIS Members, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be made through their respective approved CPF agent banks. Such CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions no later than the deadlines set by their respective approved CPF agent banks in order for such approved CPF agent banks to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. For CPFIS Members, any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected. CPF Funds may not be used to purchase Nil-Paid Rights directly from the market.

For SRS investors or investors who hold Shares through finance companies and/or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be made through their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents. Such investors are advised to provide their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

IMPORTANT NOTICE

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the Nil-Paid Rights purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies and/or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of the Rights Shares on their behalf by the Closing Date. For such renounees and/or Purchasers, any acceptance of the Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

CPFIS Members, SRS investors and investors who hold Shares through finance companies and/or Depository Agents should read the section titled “Important Notice to (A) CPFIS Members, (B) SRS investors and (C) Investors who hold Shares through finance companies and/or Depository Agents” of this Offer Information Statement for important details relating to the application and acceptance procedures.

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

Persons wishing to purchase the Nil-Paid Rights or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group, including but not limited to, the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group, and the rights and liabilities attaching to the Nil-Paid Rights and the Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of such affairs of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company and the Group. They should carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their legal, financial, tax or other professional adviser(s) before deciding whether to acquire the Nil-Paid Rights or the Rights Shares.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Group or the Manager and Underwriter.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance, financial position, prospects or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor the allotment and issue of the Nil-Paid Rights or the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Company or the Group, or of any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNET, and if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders, their renounees and Purchasers should take note of any such announcement or supplementary or

IMPORTANT NOTICE

replacement document and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

Neither the Company nor the Manager and Underwriter is making any representation to any person regarding the legality of an investment in the Nil-Paid Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser(s) for business, financial, legal or tax advice regarding an investment in the Nil-Paid Rights, the Rights Shares and/or the Shares.

Neither the Company nor the Manager and Underwriter is making any representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Nil-Paid Rights, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept, purchase or subscribe for the Nil-Paid Rights, the Rights Shares and/or the Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs of, and appraisal and determination of the merits of investing in, the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and/or subscription of the Rights Shares under the Rights Issue and may not be relied upon by any person (other than Entitled Shareholders to whom this Offer Information Statement and its accompanying documents are despatched by the Company, their renounees and Purchasers) or for any other purpose.

This Offer Information Statement and its accompanying documents may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or under any circumstance in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted (either absolutely or subject to various requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Entitled Shareholders, their renounees, Purchasers or any persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company, the Manager and Underwriter or any other person involved in the Rights Issue. Please refer to the section titled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND
(C) INVESTORS WHO HOLD SHARES THROUGH FINANCE COMPANIES
AND/OR DEPOSITORY AGENTS**

CPFIS Members, SRS investors and investors who hold Shares through finance companies and/or Depository Agents, can only accept their Rights Shares and (if applicable) apply for Excess Rights Shares by instructing their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents, as the case may be, to do so on their behalf in accordance with the terms and conditions in this Offer Information Statement.

ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY BY THE ABOVEMENTIONED INVESTORS TO CDP, THE SHARE REGISTRAR, THE COMPANY AND/OR BY WAY OF ELECTRONIC APPLICATION WILL BE REJECTED.

The abovementioned investors, where applicable, will receive notification letters from their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents, as the case may be, and should refer to such notification letters for details of the last date and time to submit acceptances and/or applications to such intermediaries.

Such investors are advised to provide their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement by the Closing Date.

(A) Use of CPF Funds

CPFIS Members must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF investment accounts to pay for the acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares.

CPFIS Members who wish to accept their Rights Shares and (if applicable) apply for Excess Rights Shares must have sufficient funds in their CPF investment accounts and must instruct their respective CPF agent banks in which they hold their CPF investment accounts to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. In the case of insufficient monies in their CPF investment accounts or stock limit, such CPFIS Members could top-up cash into their CPF investment accounts before instructing their respective CPF agent banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds may not, however, be used for the purchase of Nil-Paid Rights directly from the market.

(B) Use of SRS Funds

SRS investors who have subscribed for or purchased Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights Shares and (if applicable) application for Excess Rights Shares.

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND
(C) INVESTORS WHO HOLD SHARES THROUGH FINANCE COMPANIES
AND/OR DEPOSITORY AGENTS**

Such investors who wish to accept their Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies must instruct their respective approved banks in which they hold their SRS accounts to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

Such investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective approved banks before instructing their respective approved banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf. SRS monies may not, however, be used for the purchase of the Nil-Paid Rights directly from the market.

(C) Holdings through Finance Companies and/or Depository Agents

Investors who hold Shares through finance companies and/or Depository Agents must instruct their respective finance companies and/or Depository Agents, as the case may be, to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

TABLE OF CONTENTS

	PAGE
CORPORATE INFORMATION	7
DEFINITIONS	8
TRADING UPDATE	18
SUMMARY OF THE RIGHTS ISSUE	20
ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE	25
EXPECTED TIMETABLE OF KEY EVENTS	30
TRADING	31
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS	33
TAKE-OVER LIMITS AND WHITEWASH WAIVER	34
SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018	37
ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL	86
APPENDIX A RISK FACTORS	A-1
APPENDIX B PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS	B-1
APPENDIX C ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK	C-1
APPENDIX D PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS	D-1
APPENDIX E LIST OF PARTICIPATING BANKS	E-1

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Mrs Celine Tang @ Chen Huaidan @ Celine Tang (Non-Executive Chairman and Non-Independent and Non-Executive Director) Mr Chia Lee Meng Raymond (Executive Director and Group Chief Executive Officer) Mr Tan Tee How (Executive Director) Mr Ang Mong Seng (Lead Independent Director) Mr Lui Tuck Yew (Independent Director) Mr Abdul Jabbar Bin Karam Din (Independent Director) Mr Lock Wai Han (Independent Director)
COMPANY SECRETARY	:	Ms Goh Gin Nee
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	:	171 Chin Swee Road #12-01 CES Centre Singapore 169877
SHARE REGISTRAR	:	RHT Corporate Advisory Pte. Ltd. 30 Cecil Street #19-08 Prudential Tower Singapore 049712
MANAGER AND UNDERWRITER OF THE RIGHTS ISSUE	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza Singapore 048624
LEGAL ADVISER TO THE COMPANY	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
LEGAL ADVISER TO THE MANAGER AND UNDERWRITER	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
RECEIVING BANK	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza Singapore 048624

DEFINITIONS

For the purposes of this Offer Information Statement, the ARE, the ARS and the PAL, the following terms shall unless the context otherwise requires or unless otherwise stated, have the following meanings:

“Announcement”	:	The announcement dated 22 August 2019 by the Company in relation to the Rights Issue
“ARE”	:	Application form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
“ARS”	:	Application form for Rights Shares to be issued to Purchasers
“ATM”	:	Automated teller machine
“Authority”	:	Monetary Authority of Singapore
“Board”	:	The board of Directors of the Company from time to time
“Books Closure Date”	:	5.00 p.m. on 23 September 2019, being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed, for the purpose of determining the provisional allotments of Rights Shares of the Entitled Shareholders under the Rights Issue
“Broker-linked Balance”	:	A sub-balance in a Securities Account that is linked to a Member Company such that the Member Company has control and rights over the securities contained in such sub-balance
“CDP”	:	The Central Depository (Pte) Limited
“Celine Tang”	:	Celine Tang @ Chen Huaidan @ Celine Tang, the Non-Executive Chairman and a Non-Independent and Non-Executive Director of the Company
“Chip Eng Seng Employee Share Option Scheme 2013”	:	The share option scheme which was approved and adopted at an extraordinary general meeting of the Company held on 25 April 2013
“Circular”	:	The circular to Shareholders dated 29 August 2019 in relation to, <i>inter alia</i> , the Rights Issue

DEFINITIONS

“Closing Date”	:	(a) 5.00 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (b) 9.30 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue through an ATM of a Participating Bank
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Companies Act”	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Company”	:	Chip Eng Seng Corporation Ltd.
“Concert Party Group”	:	The Controlling Shareholders and parties acting or deemed to be acting in concert with them in respect of the Shares
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Controlling Shareholders”	:	Celine Tang and Gordon Tang
“Controlling Shareholders Relevant Shares”	:	The Shares in which the Controlling Shareholders have a joint direct interest as at the date of the Controlling Shareholders’ Irrevocable Undertaking, being 168,907,000 Shares, representing approximately 26.98 per cent. of the total number of issued Shares
“Controlling Shareholders’ Irrevocable Undertaking”	:	The irrevocable undertaking dated 22 August 2019 given by the Controlling Shareholders to the Company to, <i>inter alia</i> , subscribe and pay in full and/or procure the subscription and payment in full for their entire <i>pro-rata</i> entitlement to the Rights Shares under the Rights Issue, details of which are set out in paragraph 7 of Part 6 “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“CPF”	:	Central Provident Fund
“CPF Funds”	:	CPF account savings

DEFINITIONS

“CPFIS”	:	CPF Investment Scheme
“CPFIS Members”	:	Shareholders who have previously purchased Shares using their CPF Funds under the CPFIS – Ordinary Account
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“EGM”	:	The extraordinary general meeting of the Company held on 13 September 2019
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through (a) an ATM of a Participating Bank or (b) the SGX-SFG Service, as the case may be, in accordance with the terms and conditions of this Offer Information Statement. For the purpose of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts as at the Books Closure Date and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, 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”	:	Shareholders whose share certificates have not been deposited with CDP (and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date) and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPS”	:	Earnings per Share

DEFINITIONS

“Excess Rights Shares”	:	Rights Shares, which are available for application by the Entitled Shareholders subject to the terms and conditions contained in this Offer Information Statement, (if applicable) the Constitution, the PAL and the ARE, comprising Rights Shares not validly taken up by the original allottee(s) or purchaser(s) of provisional allotments of the Rights Shares, the aggregated fractional entitlements to the Rights Shares (if any) and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, (if applicable) the Constitution, the PAL and the ARE
“Foreign Purchasers”	:	Purchasers whose registered addresses with CDP are outside Singapore
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
“FY2016”	:	Financial year ended 31 December 2016
“FY2017”	:	Financial year ended 31 December 2017
“FY2018”	:	Financial year ended 31 December 2018
“FY2019”	:	Financial year ending 31 December 2019
“Gordon Tang”	:	Gordon Tang @ Tang Yigang @ Gordon Tang
“Group”	:	The Company and its subsidiaries
“HDB”	:	Housing and Development Board
“Hong Kong”	:	The Hong Kong Special Administrative Region of the PRC
“HY2018”	:	Financial period for the six (6) months ended 30 June 2018
“HY2019”	:	Financial period for the six (6) months ended 30 June 2019
“Independent Shareholders”	:	Shareholders, other than the Concert Party Group and parties not independent of them, who are deemed to be independent for the purposes of voting on the Whitewash Resolution

DEFINITIONS

“Ineligible Shareholders”	:	Shareholders other than the Entitled Depositors and the Entitled Scripholders. For the avoidance of doubt, Ineligible Shareholders include the Foreign Shareholders
“Irrevocable Undertakings”	:	The Controlling Shareholders’ Irrevocable Undertaking and the Raymond Chia’s Irrevocable Undertaking
“Issue Price”	:	S\$0.63 per Rights Share
“Latest Practicable Date”	:	16 September 2019, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended or modified from time to time
“Management and Underwriting Agreement”	:	The management and underwriting agreement dated 22 August 2019 entered into between the Company and the Manager and Underwriter in relation to the Rights Issue, details of which are set out in paragraph 7 of Part 6 “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“Manager and Underwriter”	:	United Overseas Bank Limited, the manager and underwriter of the Rights Issue
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Member Company”	:	A Trading Member of the SGX-ST
“NAV”	:	Net asset value
“Net Proceeds”	:	The net proceeds from the Rights Issue
“Nil-Paid Rights”	:	Provisional allotments of the Rights Shares under the Rights Issue
“NRIC”	:	National Registration Identity Card
“Offer Information Statement”	:	This document together with (where the context requires) the ARE, the ARS and the PAL and all other accompanying documents, including any supplementary or replacement document, issued or to be issued by the Company and lodged with the Authority in connection with the Rights Issue
“PAL”	:	The provisional allotment letter to be issued to Entitled Scripholders, setting out their provisional allotments of Rights Shares under the Rights Issue

DEFINITIONS

“Participating Banks”	:	The banks that will be participating in the Rights Issue by making available their ATMs to Entitled Depositors and Purchasers whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and applications for Excess Rights Shares, as the case may be, to be made under the Rights Issue, which are listed in Appendix E to this Offer Information Statement
“PRC”	:	People’s Republic of China
“Purchaser”	:	A person who purchases the Nil-Paid Rights under the book-entry (scripless) settlement system during the Nil-Paid Rights trading period
“Raymond Chia”	:	Chia Lee Meng Raymond, an Executive Director and the Group Chief Executive Officer of the Company
“Raymond Chia Relevant Shares”	:	The Shares in which Raymond Chia has a direct interest as at the date of the Raymond Chia’s Irrevocable Undertaking, being 11,125,000 Shares, representing approximately 1.78 per cent. of the total number of issued Shares
“Raymond Chia’s Irrevocable Undertaking”	:	The irrevocable undertaking dated 22 August 2019 given by Raymond Chia to the Company to, <i>inter alia</i> , subscribe and pay in full and/or procure the subscription and payment in full for his entire <i>pro-rata</i> entitlement to the Rights Shares under the Rights Issue, based on the number of Shares in which he has a direct interest, details of which are set out in paragraph 7 of Part 6 “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“Register of Members”	:	Register of members of the Company
“Relevant Persons”	:	In relation to personal data privacy, means the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST, the Company and the Manager and Underwriter
“renouncee”	:	A person in whose favour an Entitled Shareholder renounces all or part of its Nil-Paid Rights
“Rights Issue”	:	The renounceable underwritten rights issue by the Company to raise gross proceeds of approximately S\$98.6 million, pursuant to which 156,503,515 Rights Shares will be offered at the Issue Price, on the basis of one (1) Rights Shares for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded

DEFINITIONS

“Rights Shares”	:	156,503,515 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“Securities Account”	:	The securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a Depository Agent
“Senz”	:	Senz Holdings Limited, a company in which Celine Tang is a director
“Senz Relevant Shares”	:	The Shares in which Celine Tang has a deemed interest through Senz as at the date of the Controlling Shareholders’ Irrevocable Undertaking, being 17,198,000 Shares, representing approximately 2.75 per cent. of the total number of issued Shares
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SFR”	:	Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Options”	:	Share options granted under the Chip Eng Seng Employee Share Option Scheme 2013
“Share Registrar”	:	RHT Corporate Advisory Pte. Ltd., the share registrar of the Company
“Share Transfer Books”	:	The share transfer books of the Company
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to those Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares. Any reference to Shares held by or the shareholding of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore

DEFINITIONS

“Sixteenth Schedule”	:	The section titled “Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018” of this Offer Information Statement
“SRS”	:	Supplementary Retirement Scheme
“Substantial Shareholder”	:	A person who has an interest in voting shares in the Company and the total votes attached to which are not less than five (5) per cent. of the total votes attached to all the voting shares in the Company
“Sub-underwriting Agreement”	:	The sub-underwriting agreement dated 22 August 2019 entered into between the Manager and Underwriter and the Controlling Shareholders in relation to the Rights Issue, details of which are set out in paragraph 7 of Part 6 “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“Sub-underwriting Commission”	:	The commission payable by the Manager and Underwriter to the Controlling Shareholders pursuant to the Sub-underwriting Agreement, details of which are set out in paragraph 7 of Part 4 “Key Information – Use of Proceeds from Offer and Expenses Incurred” of the Sixteenth Schedule
“Sub-underwriting Commitment”	:	The sub-underwriting commitment provided by the Controlling Shareholders pursuant to the Sub-underwriting Agreement, details of which are set out in paragraph 7 of Part 6 “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“Trading Member”	:	Has the meaning ascribed thereto under the CDP Clearing Rules of the SGX-ST, as amended or modified from time to time
“Undertaken Rights Shares”	:	The 49,307,500 Rights Shares which the Undertaking Shareholders have undertaken to subscribe and pay in full and/or procure the subscription and payment in full for pursuant to the Irrevocable Undertakings
“Undertaking Shareholders”	:	Celine Tang, Gordon Tang and Raymond Chia
“Underwriting Commission”	:	The commission payable by the Company to the Manager and Underwriter pursuant to the Management and Underwriting Agreement, details of which are set out in paragraph 7 of Part 4 “Key Information – Use of Proceeds from Offer and Expenses Incurred” of the Sixteenth Schedule

DEFINITIONS

“Underwritten Rights Shares”	:	The 107,196,015 Rights Shares (being the number of Rights Shares other than the Undertaken Rights Shares) that are underwritten by the Manager and Underwriter pursuant to the Management and Underwriting Agreement
“Unsubscribed Shares”	:	The Underwritten Rights Shares to the extent that such Rights Shares are not successfully subscribed for under the Rights Issue
“Whitewash Resolution”	:	The resolution approved at the EGM by way of a poll by a majority of the Independent Shareholders present and voting at the EGM to waive their rights to receive a mandatory general offer from the Concert Party Group, pursuant to Rule 14 of the Code in relation to the Rights Issue
“Whitewash Waiver”	:	The waiver granted by the SIC of the obligations of the Concert Party Group to make a mandatory general offer pursuant to Rule 14 of the Code for the remaining Shares not already owned or controlled by the Concert Party Group, arising from the acquisition of Rights Shares by the Controlling Shareholders pursuant to the Controlling Shareholders’ Irrevocable Undertaking and the Sub-underwriting Commitment, subject to the satisfaction of certain conditions, details of which are set out in the section titled “Take-over Limits and Whitewash Waiver” of this Offer Information Statement
“%” or “per cent.”	:	Per centum or percentage
“A\$” or “Australian Dollars”	:	The lawful currency for the time being of the Commonwealth of Australia
“NZ\$”	:	The lawful currency for the time being of New Zealand
“RMB”	:	The lawful currency for the time being of the PRC
“S\$” or “Singapore Dollars” or “cents”	:	The lawful currency for the time being of the Republic of Singapore
“US\$”	:	The lawful currency for the time being of the United States of America

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

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

DEFINITIONS

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

References to persons shall, where applicable, include any individual, company, corporation, firm, partnership, joint venture, association, organisation, institution, trust or agency, whether or not having a separate legal personality.

The headings of this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any reference to a time of day and dates in this Offer Information Statement, the ARE, the ARS and the PAL shall be a reference to Singapore time and dates unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the ARE, the ARS and the PAL in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other dates(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the ARE, the ARS and the PAL 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, the SFR, the Listing Manual, the Code or any statutory modification thereof and not otherwise defined in this Offer Information Statement, the ARE, the ARS and the PAL shall have the same meaning ascribed to it under the Companies Act, the SFA, the SFR, the Listing Manual, the Code or any statutory modification thereof, as the case may be.

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

TRADING UPDATE

Set out below is the trading update released by the Company on SGXNET on 20 September 2019:

“This statement has been prepared by Chip Eng Seng Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) in connection with the proposed renounceable underwritten rights issue (the “**Rights Issue**”) of 156,503,515 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.63 for each Rights Share, details of which have been set out in the Company’s announcements dated 22 August 2019 and 13 September 2019 and in the circular to shareholders of the Company dated 29 August 2019 (the “**Circular**”) in relation to the Rights Issue. The information set out in this announcement covers the period from 1 July 2019 to the date of this announcement.

Property Development

While there has been an increase in sales to-date for the Group’s latest residential development project, Parc Komo, no revenue from this project can be recognised as yet and at the same time, costs are being incurred to market and develop the project. The Group expects conditions in the real estate sector to remain uncertain and challenging. Accordingly, the Group will exercise caution in replenishing its land bank. The Group plans to launch its residential development at the Kampong Java site in the first half of 2020.

Construction

The Group’s construction order book has declined since the second quarter of 2019 due to progressive billings for existing projects and no award of new contracts. The Group is considering augmenting its existing construction business by expanding its capabilities in the building, infrastructure, construction and construction project management business so that it can participate in a broader range of competitive construction tender projects, including civil and building infrastructure projects which are of larger scale and/or higher value. Such expansion plans include organic growth as well as through strategic acquisitions, such as acquiring other construction companies which have differentiating building and construction capabilities from that of the Group.

In this regard, the Company is currently in discussions relating to a potential acquisition (the “**Potential Acquisition**”) of 100% of the issued share capital of a Singapore incorporated private company, which is principally engaged in the building, construction and construction project management business. The directors of the Company (the “**Directors**”) believe that such acquisition will extend the footprint of the Group’s existing construction business to among other things, building, construction and construction management businesses in respect of competitive construction tender projects in Singapore. The Group will also benefit from the target company’s capability and track record, which will enhance the ability of the Group to participate in tenders for a broader range of projects, such as civil engineering and building infrastructure projects. The Potential Acquisition, if completed, will provide the Group’s existing construction business with a good opportunity for horizontal integration in the construction sector.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Potential Acquisition, other than through their respective shareholdings in the Company. **The Company will make the necessary announcement(s) as and when there are material developments in respect of the Potential Acquisition. Shareholders should note that discussions between the Company and the seller are ongoing and there is no assurance that the Company will enter into any definitive agreements in respect of the Potential Acquisition or that the Potential Acquisition will be completed.**

TRADING UPDATE

Hospitality

The Company expects the Group's hotels and resorts in Singapore and the Maldives to continue to benefit from growth in tourist arrivals in these two markets. The Company also expects the hospitality sector in its other key market, Australia, to continue to remain healthy. The Group will continue to actively explore opportunities to grow its hospitality business in Australia, the Maldives, Singapore and other strategic locations. It may do so through acquisitions of existing hospitality assets and businesses and/or enter into joint ventures with strategic partners to develop hospitality assets in these jurisdictions.

Education

Expenses in respect of the Group's education business are expected to increase to meet its expansion needs.

In summary:

In view of the above, the Company expects to post weaker financial results for the third quarter of 2019 compared to the corresponding period in 2018. Nevertheless and barring unforeseen circumstances, the Group is expected to remain profitable for the current financial year ending 31 December 2019. In accordance with Rule 705 of the listing manual of the Singapore Exchange Securities Trading Limited, the Company will announce its unaudited consolidated financial statements for the nine-month ended 30 September 2019 by mid-November 2019.

The Group is currently operating in a volatile economic environment. To meet the challenges ahead, the Group intends to continue to focus on its core strengths while seeking viable opportunities to strategically grow its existing businesses. The Directors intend to practise prudent management of credit, market and operational risks so as to maintain the strength of the Group's balance sheet. Following the completion of the Rights Issue, the Directors believe that the Group's financial position will be strengthened and the Group will have greater financial capacity and flexibility to capitalise on investment and expansion opportunities expeditiously.

Shareholders are advised to read this announcement and any further announcements by the Company carefully, and to exercise caution in trading their shares in the Company. The Company will make further announcements as appropriate. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take."

SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of Provisional Allotment : The Rights Issue will be made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share for every four (4) existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.

Issue Price : S\$0.63 for each Rights Share, payable in full upon acceptance and/or application. The Issue Price represents:

- (a) a discount of approximately 7.35 per cent. to the closing price of S\$0.68 per Share on the SGX-ST on 22 August 2019, being the date of the Announcement; and
- (b) a discount of approximately 5.97 per cent. to the theoretical ex-rights price of S\$0.67 (being the theoretical market price of each Share assuming the completion of the Rights Issue, and which is calculated based on the closing price of S\$0.68 per Share on the SGX-ST on 22 August 2019, being the date of the Announcement).

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

Number of Rights Shares : Based on the issued share capital of the Company as at the Latest Practicable Date of 626,014,061 Shares (excluding treasury shares), the Company will issue 156,503,515 Rights Shares.

As of the Latest Practicable Date, the Company has 50,000,000 Share Options outstanding, of which 35,000,000 Share Options held by Raymond Chia have vested. The remaining 15,000,000 Share Options which are held by Raymond Chia and Tan Tee How (an Executive Director of the Company) will vest only in April 2021.

Pursuant to the Raymond Chia's Irrevocable Undertaking, Raymond Chia has irrevocably undertaken that, *inter alia*, he shall not exercise on or prior to the Books Closure Date any of his 35,000,000 vested Share Options.

SUMMARY OF THE RIGHTS ISSUE

- Eligibility to Participate in the Rights Issue** : Only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement for details of the eligibility of Shareholders to participate in the Rights Issue.
- Listing of the Rights Shares** : On 22 August 2019, the SGX-ST granted its approval in-principle for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The SGX-ST’s approval in-principle is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.
- Trading of the Rights Shares** : Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares.
- All dealings in, and transactions (including transfers) of, the Rights Shares and the Nil-Paid Rights effected through the SGX-ST and/or CDP shall be made in accordance with CDP’s “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited”, as the same may be amended from time to time, copies of which are available from CDP.
- Trading of Odd Lots of Shares** : Eligible Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots are able to trade odd lots of Shares on the SGX-ST’s Unit Share Market. The SGX-ST’s Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share.
- Trading of Nil-Paid Rights** : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the trading period for the Nil-Paid Rights. The trading period for the Nil-Paid Rights has been set from 9.00 a.m. on 26 September 2019 to 5.00 p.m. on 4 October 2019.
- Entitled Depositors should note that the Nil-Paid Rights will be tradable in board lots of 100 and one (1).

SUMMARY OF THE RIGHTS ISSUE

**Acceptance, Excess
Application and Payment
Procedures**

: Entitled Shareholders will be at liberty to accept, decline, renounce or, in the case of Entitled Depositors, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST, in whole or in part, their Nil-Paid Rights, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

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

In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights 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.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

Net Proceeds

: The estimated Net Proceeds (after deducting estimated costs, expenses and commissions of approximately S\$2.3 million incurred in connection with the Rights Issue) are expected to be approximately S\$96.3 million.

Please refer to paragraph 2 of Part 4 “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule for further details of the estimated Net Proceeds.

SUMMARY OF THE RIGHTS ISSUE

- Use of Proceeds** : The Company intends to apply the Net Proceeds for the following purposes:
- (a) approximately S\$50.0 million or approximately 51.92 per cent. of the Net Proceeds to finance the possible expansion of the property development segment of the Group's business in Singapore and overseas;
 - (b) approximately S\$20.0 million or approximately 20.77 per cent. of the Net Proceeds to finance the Group's possible strategic investments and/or acquisitions in the education segment of its business, which is in line with the Group's recent diversification into the education sector;
 - (c) approximately S\$10.0 million or approximately 10.38 per cent. of the Net Proceeds to finance the growth and operations of the hospitality segment of the Group's business; and
 - (d) the balance of approximately S\$16.3 million or approximately 16.93 per cent. of the Net Proceeds for general corporate purposes including general and working capital requirements of the Group.

Please refer to paragraph 3 of Part 4 "**Key Information – Use of Proceeds from Offer and Expenses Incurred**" of the Sixteenth Schedule for further details of the use of proceeds.

- Irrevocable Undertakings** : In support of the Rights Issue, the Undertaking Shareholders have given the Irrevocable Undertakings to the Company to, *inter alia*, subscribe and pay in full and/or procure the subscription and payment in full for their entire *pro-rata* entitlements to the Rights Shares under the Rights Issue.

Please refer to paragraph 7 of Part 6 "**The Offer and Listing – Plan of Distribution**" of the Sixteenth Schedule for details of the terms of the Irrevocable Undertakings.

- Underwriting** : Please refer to paragraph 7 of Part 6 "**The Offer and Listing – Plan of Distribution**" of the Sixteenth Schedule for details of the Manager and Underwriter's underwriting commitment in respect of the Rights Issue.

- Sub-underwriting** : Please refer to paragraph 7 of Part 6 "**The Offer and Listing – Plan of Distribution**" of the Sixteenth Schedule for details of the Sub-underwriting Commitment.

SUMMARY OF THE RIGHTS ISSUE

- Use of CPF Funds** : CPFIS Members can only use their CPF Funds for the payment of the Issue Price to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares, subject to the applicable CPF rules and regulations. Such CPFIS Members who wish to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions of this Offer Information Statement. Any applications made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected. CPF Funds cannot, however, be used for the purchase of the Nil-Paid Rights directly from the market.
- In the case of insufficient CPF Funds or stock limit, CPFIS Members would have to top-up cash into their CPFIS Ordinary Account before instructing their respective approved CPF agent banks to accept the Nil-Paid Rights and (if applicable) apply for Excess Rights Shares.
- Use of SRS Funds** : Members under the SRS (“**SRS Members**”) who bought their Shares previously using their account opened with the relevant approved bank (“**SRS Account**”), can only use monies standing to the credit of their respective SRS Accounts for the payment of the Issue Price of the Rights Shares to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares, subject to applicable SRS rules and regulations. Such SRS Members who wish to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares using SRS monies will need to instruct the relevant approved banks in which they hold their SRS Accounts to accept their Nil-Paid Rights and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. Any applications made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected. Monies in SRS Accounts cannot, however, be used for the purchase of the Nil-Paid Rights directly from the market.
- Governing Law** : Laws of Singapore.
- Risk Factors** : Investing in the Rights Shares involves risks. Please refer to the section titled “Risk Factors” in **Appendix A** to this Offer Information Statement for details of such risks.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

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

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders are at liberty to accept, decline, renounce or, in the case of Entitled Depositors, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST, in whole or in part, their Nil-Paid Rights, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with provisional allotments which are not allotted or taken up for any reason, be aggregated and used to satisfy applications (if any) for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights 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.

(a) Entitled Depositors

Entitled Depositors should note that all notices and documents will be sent to their last registered Singapore mailing addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date.

(b) Entitled Scripholders

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered Singapore mailing addresses with the Share Registrar. Entitled Scripholders are reminded that any request to the Share Registrar to update their records or effect any change in address must reach Chip Eng Seng Corporation Ltd. c/o the Share Registrar, RHT Corporate Advisory Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, at least three (3) Market Days before the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Nil-Paid Rights. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares 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.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

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

The procedures for, and the terms and conditions applicable to, acceptances, renunciations, splitting and/or sales of the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, Nil-Paid Rights and Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Nil-Paid Rights to any Securities Account, the receipt of any Nil-Paid Rights, or receipt of this Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents have been lodged with the Authority in Singapore. This Offer Information Statement and its accompanying documents have not been and will not be registered, lodged or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement 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 jurisdictions other than Singapore, the Rights Shares will not be offered to and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdictions outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No Nil-Paid Rights will be allotted to Foreign Shareholders, and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the Nil-Paid Rights credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the Nil-Paid Rights renounced to him. The Company reserves the right to reject any acceptances of the Rights Shares and/or applications for Excess Rights Shares where it believes, or has reason to believe, that such acceptance and/or application may violate the applicable legislation of any jurisdiction.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

The Company reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes or has reason to believe may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty required by the terms of this Offer Information Statement, the ARE, the ARS or the PAL.

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

Receipt of this Offer Information Statement, the ARE, the ARS or the PAL, or the crediting of Nil-Paid Rights or Rights Shares to a Securities Account shall not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Offer Information Statement and the ARE, the ARS or the PAL must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this Offer Information Statement, an ARE, an ARS or a PAL and/or a credit of Nil-Paid Rights or Rights Shares to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such ARE, ARS or PAL and/or accept any credit of Nil-Paid Rights or Rights Shares to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such ARE, ARS or PAL and/or credit of Nil-Paid Rights or Rights Shares to a Securities Account could lawfully be used or accepted, and any transaction resulting from such use or acceptance could be effected, without contravention of any registration or other legal or regulatory requirements.

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

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

If it is practicable to do so, arrangements may, at the absolute discretion of the Company, be made for the Nil-Paid Rights which would otherwise have been provisionally allotted to Ineligible Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after commencement of trading of Nil-Paid Rights. Such sales will, 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 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 to Ineligible 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 by ordinary post at their own risk, provided that where the amount of net proceeds to be distributed to any single Ineligible Shareholder or persons acting to the account or benefit of any such persons is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP, CPF Board, the Share Registrar and/or their respective officers in connection therewith.

Where such Nil-Paid Rights 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 Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP, CPF Board, the Share Registrar and/or their respective officers in respect of such sales or the proceeds thereof, the Nil-Paid Rights or the Rights Shares represented by such Nil-Paid Rights.

If such Nil-Paid Rights 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 of the Nil-Paid Rights, the Rights Shares represented by such Nil-Paid Rights will be issued to satisfy applications for Excess Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP, CPF Board, the Share Registrar and/or their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Ineligible Shareholders. However, the Company reserves the right to make similar arrangements for the Nil-Paid Rights which would otherwise have been allotted to certain Entitled Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Nil-Paid Rights commence, where the beneficial holders of such Nil-Paid Rights are restricted or prohibited by the laws of the jurisdiction in which they are located or resident from participating in the Rights Issue.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD HAVE PROVIDED CDP (AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588) OR THE SHARE REGISTRAR (AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712), AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.

Notwithstanding anything herein, Entitled Shareholders and/or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto at their own expense and without liability to the Company, the Manager and Underwriter or any other person involved in the Rights Issue. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirements in such territory. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Offer Information Statement and the ARE, the ARS or the PAL must be treated as sent for information only and should not be copied or redistributed.

Depositors should note that all correspondences will be sent to their last registered Singapore mailing addresses with CDP. Depositors should note that any request to CDP to update its records or to effect any change in address should have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date. Shareholders whose Shares are registered in their own names (not being Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue should have provided such an address in Singapore by notifying Chip Eng Seng Corporation Ltd. c/o the Share Registrar, RHT Corporate Advisory Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, at least three (3) Market Days before the Books Closure Date.

EXPECTED TIMETABLE OF KEY EVENTS

Shares trade “ex-rights” to the Rights Issue	:	20 September 2019 from 9.00 a.m.
Books Closure Date	:	23 September 2019 at 5.00 p.m.
Date of lodgement of this Offer Information Statement with the Authority	:	23 September 2019
Despatch of this Offer Information Statement, the ARE and the PAL (as the case may be) to Entitled Shareholders	:	26 September 2019
Commencement of acceptance of/application and payment for the Rights Shares and the Excess Rights Shares	:	26 September 2019 from 9.00 a.m.
Commencement of trading of the Nil-Paid Rights	:	26 September 2019 from 9.00 a.m.
Last date and time for splitting and trading of the Nil-Paid Rights	:	4 October 2019 at 5.00 p.m.
Last date and time for renunciation of and payment for the Rights Shares ⁽¹⁾	:	10 October 2019 at 5.00 p.m.
Last date and time for acceptance of/application and payment for the Rights Shares and the Excess Rights Shares ⁽¹⁾	:	10 October 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Expected date of issue of the Rights Shares	:	18 October 2019
Expected date for crediting of the Rights Shares	:	18 October 2019
Expected date for refund of unsuccessful applications (if made through CDP)	:	18 October 2019
Expected date of commencement of trading of the Rights Shares on the SGX-ST	:	18 October 2019 from 9.00 a.m.

Note:

(1) For CPFIS Members, SRS investors and investors who hold Shares through finance companies or Depository Agents, such investors will receive notification letter(s) from their respective CPF agent banks, approved banks in which they hold their SRS accounts, or respective finance companies or Depository Agents, as the case may be. Such investors should refer to these notification letter(s) for details of the last date and time to submit applications for the Rights Shares to their respective CPF agent banks, approved banks, finance companies or Depository Agents, as the case may be. Any acceptance and/or application for the Rights Shares made directly by these investors to CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

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

TRADING

1. LISTING OF AND QUOTATION FOR RIGHTS SHARES

Approval in-principle has been obtained from the SGX-ST on 22 August 2019 for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, and/or its subsidiaries.

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

All dealings in, and transactions (including transfers) of, the Rights Shares and the Nil-Paid Rights effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING FOR ENTITLED SCRIPHOLDERS

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted and issued to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names for the Rights Shares allotted to them and, if applicable, the Excess Rights Shares allotted to them, which will be forwarded to them by ordinary post at their own risk. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

TRADING

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his respective certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

3. TRADING OF ODD LOTS

Shareholders should note that the Shares are quoted on the Main Board of the SGX-ST in board lot sizes of 100 Shares. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. **Entitled Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares).**

Following the Rights Issue, Shareholders who hold odd lots of Shares and who wish to trade in odd lots on the Main Board of the SGX-ST should note that they are able to do so on the SGX-ST's Unit Share Market. The SGX-ST's Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases, public announcements and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, including those risks described in **Appendix A** to this Offer Information Statement, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of the Company, the Manager and Underwriter or any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

In light of the ongoing uncertainties in the global financial markets and its contagion effect on the real economy, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, each of the Company and the Manager and Underwriter disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, the Company may make an announcement to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority, in the event, *inter alia*, that it becomes aware of a new development, event or circumstance that has arisen since the lodgement of this Offer Information Statement with the Authority but before the Closing Date, and that is materially adverse from the point of view of an investor or is required to be disclosed pursuant to law and/or the SGX-ST. The Company is also subject to the provisions in the Listing Manual regarding corporate disclosure.

TAKE-OVER LIMITS AND WHITEWASH WAIVER

The Company wishes to draw to the attention of Shareholders that the allotment of Rights Shares to a Shareholder pursuant to his application for Excess Rights Shares may cause such Shareholder to reach or exceed the applicable shareholding limits referred to below. Shareholders who are in doubt as to the actions they should take should consult their professional advisers immediately.

The Directors reserve the right not to allot any Rights Shares where such allotment will be in breach of the shareholding limits referred to below or otherwise as required by any relevant legal and regulatory authorities.

The Code

The Code regulates, among others, the acquisition of ordinary shares of public companies, including the Company.

Pursuant to 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 30.0% or more of the voting rights in the Company; or
- (b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1.0% of the voting rights in the Company,

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.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of the Rights Shares pursuant to the Rights Issue or the acceptance of the Rights Shares and/or the application for Excess Rights Shares, should consult the SIC and/or their professional advisers immediately.

Whitewash Waiver

As at the Latest Practicable Date, the Controlling Shareholders have a joint direct interest in 168,907,000 Shares, representing approximately 26.98 per cent. of the total number of issued Shares. Celine Tang also has a deemed interest in an additional 17,198,000 Shares through Senz, representing approximately 2.75 per cent. of the total number of issued Shares. Accordingly, the Concert Party Group is interested in an aggregate of 186,105,000 Shares, representing approximately 29.73 per cent. of the total number of issued Shares.

TAKE-OVER LIMITS AND WHITEWASH WAIVER

Assuming that:

- (i) the Undertaking Shareholders subscribe and pay in full and/or procure the subscription and payment in full for the Rights Shares under the Rights Issue in accordance with the Irrevocable Undertakings;
- (ii) none of the other Entitled Shareholders subscribe for any of their respective entitlements of Rights Shares;
- (iii) the Underwritten Rights Shares are underwritten by the Manager and Underwriter in accordance with the terms of the Management and Underwriting Agreement; and
- (iv) the Controlling Shareholders are required to subscribe for the Underwritten Rights Shares in accordance with the terms of the Sub-underwriting Agreement,

the shareholding interests of the Concert Party Group will increase from approximately 29.73 per cent. of the total issued share capital of the Company to approximately 43.43 per cent. of the total issued share capital of the Company, based on the enlarged issued share capital of the Company of 782,517,576 Shares immediately following the allotment and issue of 156,503,515 Rights Shares under the Rights Issue and assuming that the 50,000,000 outstanding Share Options are not exercised on or prior to the Books Closure Date.

Accordingly, the fulfilment by the Controlling Shareholders of their obligations under the Sub-underwriting Agreement may result in the Controlling Shareholders acquiring Rights Shares resulting in them increasing their shareholding in the Company above 30 per cent.. In such event, the Concert Party Group would incur an obligation to make a mandatory general offer for the remaining Shares not already owned or controlled by the Concert Party Group pursuant to Rule 14 of the Code unless such obligation is waived by the SIC.

Accordingly, an application was made to the SIC for, *inter alia*, a waiver of the obligations of the Concert Party Group to make a mandatory general offer pursuant to Rule 14 of the Code for the remaining Shares not already owned or controlled by the Concert Party Group arising from the acquisition by the Controlling Shareholders of Rights Shares pursuant to the Controlling Shareholders' Irrevocable Undertaking and the Sub-underwriting Commitment.

On 26 July 2019, the SIC granted the Whitewash Waiver, subject to the following conditions:

- (1) a majority of holders of voting rights of the Company approve at a general meeting, before the Rights Issue, the Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Concert Party Group;
- (2) the Whitewash Resolution is separate from other resolutions;
- (3) the Concert Party Group, as well as parties not independent of them, abstain from voting on the Whitewash Resolution;

TAKE-OVER LIMITS AND WHITEWASH WAIVER

- (4) the Concert Party Group did not acquire or are 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 have been disclosed in the Circular):
 - (A) during the period between the first announcement of the Rights Issue and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (B) in the six (6) months prior to the first announcement of the Rights Issue but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Rights Issue;
- (5) the Company appoints an independent financial adviser to advise its Independent Shareholders on the Whitewash Resolution;
- (6) the Company sets out clearly in the Circular:
 - (A) details of the Rights Issue, including the Controlling Shareholders' Irrevocable Undertaking and the Sub-underwriting Commitment;
 - (B) the dilution effect to existing holders of voting rights upon the subscription of the Rights Shares by the Concert Party Group;
 - (C) 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 22 August 2019 (being the latest practicable date prior to the printing of the Circular);
 - (D) the number and percentage of voting rights to be acquired by the Concert Party Group as a result of their subscription of the Rights Shares; and
 - (E) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Concert Party Group at the highest price paid by the Concert Party Group for the Shares in the past six (6) months preceding the commencement of the Rights Issue;
- (7) the Circular states that the Whitewash Waiver is subject to the conditions stated at paragraphs (1) to (6) above;
- (8) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
- (9) to rely on the Whitewash Resolution, the approval of the Whitewash Resolution must be obtained within three (3) months of the date of the Whitewash Waiver and the subscription of the Rights Shares by the Controlling Shareholders must be completed within three (3) months of the date of the approval of the Whitewash Resolution.

On 13 September 2019, the Whitewash Resolution was approved by way of a poll by a majority of Independent Shareholders present and voting at the EGM to waive their rights to receive a mandatory general offer from the Concert Party Group, pursuant to Rule 14 of the Code in relation to the Rights Issue.

As at the Latest Practicable Date, save for the condition set out in paragraph (9) above, all the other conditions set out above have been satisfied.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 2 – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

- 1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.**

Name of Directors	Address
Mrs Celine Tang @ Chen Huaidan @ Celine Tang	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Chia Lee Meng Raymond	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Tan Tee How	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Ang Mong Seng	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Lui Tuck Yew	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Abdul Jabbar Bin Karam Din	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877
Mr Lock Wai Han	c/o 171 Chin Swee Road #12-01 CES Centre Singapore 169877

Advisers

- 2. Provide the names and addresses of –**
- (a) the issue manager to the offer, if any;**

Name of Manager and Underwriter	Address
United Overseas Bank Limited	80 Raffles Place UOB Plaza Singapore 048624

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

(b) the underwriter to the offer, if any; and

Name of Manager and Underwriter	Address
United Overseas Bank Limited	80 Raffles Place UOB Plaza Singapore 048624

(c) the legal adviser for or in relation to the offer, if any.

Name of Legal Adviser to the Company as to Singapore law	Address
Allen & Gledhill LLP	One Marina Boulevard #28-00 Singapore 018989

Name of Legal Adviser to the Manager and Underwriter as to Singapore law	Address
WongPartnership LLP	12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.

Name of Share Registrar	Address
RHT Corporate Advisory Pte. Ltd.	30 Cecil Street #19-08 Prudential Tower Singapore 049712

Name of Receiving Bank	Address
United Overseas Bank Limited	80 Raffles Place UOB Plaza Singapore 048624

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 3 – OFFER STATISTICS AND TIMETABLE

Offer Statistics

- 1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.**

Renounceable underwritten rights issue of 156,503,515 Rights Shares at an issue price of S\$0.63 for each Rights Share, on the basis of one (1) Rights Share for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Method and Timetable

- 2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –**

(a) the offer procedure; and

(b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.

Please refer to paragraphs 3 to 7 of Part 3 “**Offer Statistics and Timetable – Method and Timetable**” of the Sixteenth Schedule.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**

Please refer to the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement for the time at, date on, and period during which the Rights Issue will be kept open.

At the date of this Offer Information Statement, the Company does not expect the timetable under the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may, upon consultation with the Manager and Underwriter and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce the same through an announcement on SGXNET to be posted on the website of the SGX-ST at <http://www.sgx.com>.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

4. **State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**

The Rights Shares are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

Please refer to the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement for the last date and time for payment for the Rights Shares and, if applicable, Excess Rights Shares.

5. **State, where applicable, the methods of and time limits for –**

- (a) **the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
- (b) **the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscribers or purchasers.**

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 26 September 2019 by crediting the Nil-Paid Rights into the Securities Accounts of the Entitled Depositors maintained with CDP or through the despatch of the PALs to Entitled Scripholders, based on their respective shareholdings in the Company as at the Books Closure Date.

In the case of Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar within 10 Market Days after the Closing Date.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have furnished valid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent to CDP within 10 Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares credited to their Securities Accounts.

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for further details.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

6. In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for details of the procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, the trading of the Nil-Paid Rights on the SGX-ST and the treatment of the Nil-Paid Rights which are not accepted.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through an announcement on SGXNET to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Manner of refund

If any acceptance of and/or excess application for the Rights Shares is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares at their own risk by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer;
- (b) where the acceptance and/or application has been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained in the records of the Share Registrar; or
- (c) where the acceptance and/or application has been made by way of an Electronic Application through an ATM of a Participating Bank, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge to the Company, the Manager and Underwriter and CDP of their obligations, if any, thereunder.

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for further details.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 4 – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

- 1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**

Please refer to paragraphs 2 to 7 of Part 4 “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule.

- 2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (called in this paragraph and paragraph 3 of this Part the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

The estimated Net Proceeds (after deducting estimated costs, expenses and commissions of approximately S\$2.3 million incurred in connection with the Rights Issue) are expected to be approximately S\$96.3 million.

All of the Net Proceeds will go to the Company.

- 3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.**

The Company intends to apply the Net Proceeds for the following purposes:

- (a) approximately S\$50.0 million or approximately 51.92 per cent. of the Net Proceeds to finance the possible expansion of the property development segment of the Group’s business in Singapore and overseas;
- (b) approximately S\$20.0 million or approximately 20.77 per cent. of the Net Proceeds to finance the Group’s possible strategic investments and/or acquisitions in the education segment of its business, which is in line with the Group’s recent diversification into the education sector;
- (c) approximately S\$10.0 million or approximately 10.38 per cent. of the Net Proceeds to finance the growth and operations of the hospitality segment of the Group’s business; and
- (d) the balance of approximately S\$16.3 million or approximately 16.93 per cent. of the Net Proceeds for general corporate purposes including general and working capital requirements of the Group.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities or used for any other purposes on a short-term basis as the Directors may in their absolute discretion deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the Net Proceeds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in this Offer Information Statement, and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time as the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reason(s) for such deviation.

The foregoing discussion represents the Company's estimate of its allocation of the expected Net Proceeds based upon its current intention, plans and estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to re-allocate the Net Proceeds within the categories described above or to use portions of the Net Proceeds for other purposes. In the event that the Company decides to re-allocate the Net Proceeds for other purposes, it will publicly announce its intention to do so through an announcement on SGXNET to be posted on the website of the SGX-ST at <http://www.sgx.com>.

There is no minimum amount which must be raised by the Rights Issue as the Underwritten Rights Shares have been fully underwritten by the Manager and Underwriter and the Undertaking Shareholders have irrevocably undertaken to subscribe and pay in full and/or procure the subscription and payment in full for the Undertaken Rights Shares.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

For each dollar of the gross proceeds of approximately S\$98.6 million that will be raised from the Rights Issue, the Company will allocate:

- (a) approximately 50.71 cents to finance the possible expansion of the property development segment of the Group's business in Singapore and overseas;
- (b) approximately 20.28 cents to finance the Group's possible strategic investments and/or acquisitions in the education segment of its business, which is in line with the Group's recent diversification into the education sector;
- (c) approximately 10.14 cents to finance the growth and operations of the hospitality segment of the Group's business;
- (d) approximately 16.53 cents for general corporate purposes including general and working capital requirements of the Group; and
- (e) approximately 2.33 cents to pay expenses incurred in connection with the Rights Issue.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

5. If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.

Not applicable. The Net Proceeds are not currently intended to be used, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity.

6. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. The Net Proceeds are not currently intended to be used to discharge, reduce or retire the indebtedness of the Company or of the Group.

7. In the section containing the information referred to in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

The Underwritten Rights Shares, constituting approximately 68.49 per cent. of the total number of Rights Shares, have been underwritten by the Manager and Underwriter at the Issue Price on the terms and subject to the conditions of the Management and Underwriting Agreement.

Pursuant to the Management and Underwriting Agreement, in consideration of the Manager and Underwriter's agreement to subscribe and/or procure subscriptions for the Underwritten Rights Shares, the Company will pay to the Manager and Underwriter an underwriting fee of 2.00 per cent. of the aggregate gross proceeds from the Underwritten Rights Shares (the "**Underwriting Commission**").

The Controlling Shareholders have entered into the Sub-underwriting Agreement with the Manager and Underwriter pursuant to which they have agreed, on the terms and subject to the conditions of the Sub-underwriting Agreement, to subscribe for the Unsubscribed Shares.

In consideration of the Sub-underwriting Commitment, the Manager and Underwriter will pay to the Controlling Shareholders a sub-underwriting fee of 1.50 per cent. of the aggregate gross proceeds from the Underwritten Rights Shares (the "**Sub-underwriting**").

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Commission). For illustrative purposes only, based on the aggregate gross proceeds from the Underwritten Rights Shares of approximately S\$67.5 million, the Sub-underwriting Commission to be paid by the Manager and Underwriter to the Controlling Shareholders of approximately S\$1.0 million will represent approximately 0.12 per cent. of the audited net tangible assets of the Group as at 31 December 2018.

As the Controlling Shareholders are controlling shareholders (as defined in the Listing Manual) of the Company, paragraph 2.1 of Practice Note 8.2 of the Listing Manual requires the Company to seek specific Shareholders' approval by way of a separate shareholder resolution for the payment of the Sub-underwriting Commission to the Controlling Shareholders. On 13 September 2019, the Shareholders have voted by way of a poll at the EGM approving the payment of the Sub-underwriting Commission by the Manager and Underwriter to the Controlling Shareholders.

Please refer to paragraph 7 of Part 6 **"The Offer and Listing – Plan of Distribution"** of the Sixteenth Schedule for further details of the terms of the Management and Underwriting Agreement and the Sub-underwriting Agreement.

Information on the Relevant Entity

8. Provide the following information:

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity;**

Registered Office and Principal Place of Business	:	171 Chin Swee Road #12-01 CES Centre Singapore 169877
Telephone number	:	+65 6801 0088
Facsimile number	:	+65 6801 0038
Email address	:	enquiry@chipengseng.com.sg

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

Overview

The Company was incorporated in Singapore on 23 October 1998 under the Companies Act as a private limited company under the name "Chip Eng Seng Corporation Pte Ltd". It was subsequently converted into a public limited company and changed its name to "Chip Eng Seng Corporation Ltd." on 3 November 1999. The Company has been listed on the Main Board of the SGX-ST since 24 November 1999.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The principal activities of the Group are (i) property development; (ii) construction; (iii) hospitality; (iv) property investment; and (v) education.

(1) Property Development

The Group conducts its property development business through its wholly-owned subsidiary, CEL Development Pte. Ltd., which is responsible for evaluating and acquiring potential sites and projects for the Group's development and investment. The Group engages in the development of quality residential, industrial, commercial and mixed-use projects. Since 2002, the Group has ventured beyond Singapore by acquiring and developing sites in Australia and Vietnam for residential projects and mixed-use projects with a residential component. Over the years, the Group has established joint ventures with several foreign funds and also collaborated with established developers (such as KSH Holdings Limited and Heeton Holdings Limited) to develop large-scale residential projects in Singapore such as High Park Residences (the Group's most sizeable development project to date in terms of number of units) and Park Colonial.

(2) Construction

(i) General Building and Civil Engineering

The Group conducts its general building and civil engineering business through two (2) wholly-owned subsidiaries, Chip Eng Seng Contractors (1988) Pte Ltd ("**CESC**") and CES Engineering & Construction Pte. Ltd. ("**CESE**"). Both CESC and CESE are engaged in building construction activities in the public sector (mainly for public housing projects) and non-public projects such as condominiums, executive condominiums as well as industrial and commercial projects.

With their established operating track records, both CESC and CESE have achieved A1 classifications as general building contractors. This classification tier – the highest awarded by the Building and Construction Authority of Singapore ("**BCA**") – allows a contractor to tender for public sector projects that have an unlimited contract value. Additionally, CESC and CESE have been awarded A2 and B2 gradings respectively as civil engineering contractors, which allow them to tender for public sector projects valued at up to S\$85 million and S\$13 million respectively.

*(ii) Pre-cast Concrete Works and Prefabricated Prefinished Volumetric Construction ("**PPVC**")*

The Group's pre-cast concrete business is carried out by the Company's wholly-owned subsidiary, CES-Precast Pte. Ltd. ("**CESP**"). CESP was set up in 2006 to meet growing demand in Singapore for pre-cast components. In 2010, CESP set up a pre-cast plant in Johor and established its Johor-based pre-cast operations. In 2017, the Group also acquired a leasehold industry property located in Tuas Basin Close in Singapore for modular building construction, and in particular, the production of PPVC.

CESP currently has a L6 classification from the BCA, which allows it to bid for public sector prefabrication contracts with uncapped values.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

(3) Hospitality

The Group first ventured into the hospitality sector in 2015 with the opening of its maiden hotel in Singapore, Park Hotel Alexandra. This four-star property, operated by the Park Hotel Group (“**PHG**”), offers 442 rooms fully equipped with a range of modern amenities. In 2016, the Group partnered PHG to invest jointly in the Grand Park Kodhipparu Resort, a 120-villa resort in the Maldives that welcomed its first guests in 2017.

Committed to further expanding its hospitality business, the Group acquired The Sebel Mandurah located in Western Australia in 2017, as well as the Mercure & Ibis Styles Grosvenor Hotel located in Adelaide’s Central Business District in 2018. The Group also acquired the property known as 51 Pirie Street in Adelaide (the “**Pirie Street Property**”) in 2018, which will be re-developed into a new hotel to be branded as the Hyatt Regency Adelaide.

(4) Property Investment

The Group’s property investment portfolio comprises a diverse spread of income-producing properties, such as shophouses, commercial and industrial properties in Singapore, Australia and New Zealand.

The Group’s investment properties currently include a leasehold light industrial building at Ubi Crescent in Singapore, three shophouses in Singapore, a leasehold 12-storey office building located along Chin Swee Road (CES Centre) in Singapore that currently houses the Group’s head office, freehold commercial properties in Adelaide, South Australia and Western Australia and a leasehold commercial property located at 205 Queen Street, Auckland, New Zealand.

The investment properties are held by the Group for rental income and long-term capital appreciation.

(5) Education

In 2018, the Group expanded its business into the education sector in order to diversify its income base as well as to work towards achieving long-term growth through a sector which complements the Group’s existing business.

Some of the key investments which the Group has made in the education sector include: (i) the acquisition of a 70.0% interest in White Lodge Education Group Services (“**White Lodge**”) which has a chain of pre-school centres in Singapore and Kuala Lumpur; (ii) the acquisition of an effective interest of approximately 55.4% in Invictus International School Pte Ltd (“**Invictus International**”) which operates an international primary school and a pre-school centre in Singapore and which is in the midst of expanding into Hong Kong; and (iii) the acquisition of an effective interest of approximately 34.9% in Guangzhou Yuanda Information Development Co., Ltd (“**Guangzhou Yuanda**”), a company based in the PRC with its principal business being education software, online-K12 education, education training and consulting services.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The Group is also in collaboration with Repton International Schools Ltd (“**Repton International**”) to establish international kindergartens in certain countries within the Asia-Pacific region, using the “Repton School” branding. Pursuant to such collaboration, the Group had in January 2019 established its first Repton-brand international kindergarten in Singapore, operating as “Repton Schoolhouse”.

In July 2019, the Group entered into another collaboration with The Perse School Cambridge International Limited (“**TPSCI**”), relating to the establishment of an elementary school in Singapore, the ethos of which will reflect that of The Perse School in the United Kingdom.

- (c) **the general development of the business from the beginning of the period comprising the 3 most recently completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –**
- (i) **the end of the most recently completed financial year for which financial statements of the relevant entity have been published; or**
 - (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

The general developments of the business of the Group since FY2016 to the Latest Practicable Date are set out below in chronological order. The general developments included in this section have been extracted from the Company’s SGXNET announcements. Shareholders are advised to refer to the related SGXNET announcements for further details.

Key Developments in FY2016

In February 2016, the Group was awarded a land parcel at New Upper Changi Road/Bedok South Avenue 3 (Parcel B) by the Urban Redevelopment Authority of Singapore for residential development at S\$419.4 million, on which the Group subsequently developed the Grandeur Park Residences project.

In March 2016, the Group entered into an agreement for the purchase of a commercial carpark and development site at 15-85 Gladstone Street, South Melbourne, Victoria, Australia for residential development at A\$52.0 million. The site has an area of 5,984 square metres and comes with a town planning permit for three residential towers with associated street level retail spaces and a number of podium levels of secure car parking. The acquisition was completed in April 2016. The project is currently undergoing development as “Fifteen85”.

In June 2016:

- the Company issued S\$120 million 4.75 per cent. Series 002 Notes due 2021 (the “**Series 002 Notes**”), pursuant to its S\$500 million Multicurrency Debt Issuance Programme; and
- the Company announced the grant of 40,000,000 Share Options to Raymond Chia, the then-Executive Chairman and Group Chief Executive Officer of the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

In August 2016:

- the Group was awarded a S\$191.9 million contract by the HDB for construction works at Toa Payoh Bidadari Contract 6 and Contract 7, which comprises the construction of 16 blocks of residential buildings and other community facilities over a construction period of 47 months; and
- the Group was also awarded a S\$75.9 million contract by GS Engineering & Construction Corp. for the supply of pre-cast concrete items for contract T301 “Construction of 4-In-1 Rail And Bus Depot And Reception Tunnels For Thomson-East Coast Line”.

In October 2016, the Group entered into a 70-30 joint venture with PHG pursuant to which the joint venture company acquired the Kodhipparu Island Resort, an island resort in the Republic of Maldives, at a purchase price of US\$65.0 million. The acquisition was completed in March 2017 and the resort has commenced operations since June 2017 under the name “Grand Park Kodhipparu Resort”. The resort has 120 villas and is a 15-minute speedboat ride from Malé International Airport. PHG is the operator of the resort.

In December 2016, the Group was granted an option by S & W Pte. Ltd. (a wholly-owned subsidiary of Mencast Holdings Ltd) to purchase a leasehold industrial property at 11 Tuas Basin Close, Singapore for a consideration of S\$6.4 million. The property comprises mainly open and covered yards and an office block with a land area of about 14,730.20 square metres, which the Group intended to use for the business of modular building construction, in particular, for the production of PPVC. The acquisition was completed in December 2017.

Key Developments in FY2017

In March 2017, the Group launched sales for Grandeur Park Residences, a 99-year leasehold condominium development comprising 720 residential units, two (2) retail outlets and a child care centre. As of 1 August 2019, approximately 97.4% of the units in Grandeur Park Residences have been sold.

In May 2017:

- the Group was awarded a S\$110.8 million contract by the HDB for construction works at Toa Payoh Bidadari Contract 8 and Contract 9, which comprises the construction of 9 blocks of residential buildings and other community facilities over a construction period of 42 months; and
- the Company updated its S\$500 million Multicurrency Debt Issuance Programme and increased the maximum aggregate principal amount of notes and perpetual securities that may be issued thereunder from S\$500 million to S\$750 million. In the same month, the Company also issued S\$125 million 4.90 per cent. Series 003 Notes due 2022 (the “**Series 003 Notes**”), pursuant to the updated programme.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

In July 2017, the Company's subsidiary, CEL Unique Development Pte. Ltd., a joint venture company 60.0% owned by the Company and 40.0% owned by Unique Real Estate Pte. Ltd. was awarded a land parcel at Woodleigh Lane for residential development at a purchase price of S\$700.7 million. The site has a lease term of 99 years comprising 210,404 square feet of land area and is currently undergoing development into a condominium development with 805 units. Sales for the development, named "Park Colonial", were launched in July 2018 and as of 1 August 2019, approximately 82.6% of the units in Park Colonial have been sold.

In August 2017:

- the Group entered into an agreement to acquire The Sebel Mandurah, a 4.5-star hotel of 84 keys, and a strata restaurant property at 1 Marco Polo Drive, Mandurah, Western Australia, a large waterfront venue with a lettable area of approximately 1,676 square meters, for a total purchase price of A\$15.0 million. The acquisition was completed in November 2017;
- the Group entered into a 50-50 joint venture with Roxy-Pacific Holdings Limited to acquire a commercial property located at 205 Queen Street, Auckland, New Zealand, which comprises two (2) commercial towers situated in the core of Auckland's Central Business District, for a total purchase consideration of NZ\$174.0 million. The acquisition was completed in December 2017; and
- the Group entered into an agreement to sell a tenanted freehold office building located at 420 St Kilda Road, Melbourne with a land area of 2,286 square metres for A\$68.8 million. The disposal was completed in August 2017.

In October 2017:

- the Company announced that it had redeemed in full its outstanding S\$150 million 4.25 per cent. Series 001 Notes due 2017 on their maturity date. The notes were issued pursuant to the Company's S\$750 million Multicurrency Debt Issuance Programme; and
- the Group successfully tendered for the en bloc acquisition of Changi Garden, which is located at the junction of Upper Changi Road North and Jalan Mariam, for a purchase price of S\$248.8 million. The property has a freehold tenure and the Group is in the process of redeveloping the site into a mixed-use development comprising a low-rise residential condominium with 276 units and 28 commercial units. The acquisition was completed in June 2018 and the Group has launched sales of the residential component, named "Parc Komo", since May 2019. As at 1 August 2019, approximately 38.4% of the units in Parc Komo have been sold.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

In November 2017:

- the Group entered into a 70-30 joint venture with Sirona Lyall Street Pty Ltd to acquire two (2) adjoining freehold properties located at 31 Labouchere Road and 24 Lyall Street, South Perth, Western Australia. The Group's initial investment contribution to the joint venture was A\$7.4 million. The joint venture company acquired the properties for a total purchase consideration of A\$10.9 million. The joint venture partners intended to redevelop the site for a mixed use development, comprising residential apartments and retail/office suites; and
- the Group entered into contracts to acquire the Mercure & Ibis Styles Grosvenor Hotel in Adelaide, Australia and the adjoining commercial properties located at 72 and 74-78 Hindley Street at an aggregate purchase price of A\$43.0 million. The acquisition was completed in March 2018.

In December 2017, the Company announced a proposed investment in a real estate development project known as "Soai Kinh Lam Apartment – Commerce Center", which relates to the development and construction of a commercial centre and residential apartments for sale and/or lease on a freehold site situated in Ward 14, District 5, Ho Chi Minh City, Vietnam. Upon the completion of the proposed investment, it is intended that the Group will have an effective interest of 60.0% in the project.

Key Developments in FY2018

In January 2018, the Group was awarded a S\$168 million design and build contract at Sengkang Neighbourhood 4 Contract 39 & 40 by the HDB, which comprises the design and construction of residential buildings, carparks and community services.

In March 2018:

- the Company announced the proposed diversification of its business into the education sector, which comprises the construction, development, establishment, ownership, management and operations of educational programmes, products and services. The proposed diversification of the business of the Group was approved by Shareholders at an extraordinary general meeting of the Company held on 25 April 2018; and
- the Group entered into an agreement to sell its property located at 150 Queen Street, Melbourne, Australia for A\$55.0 million. The disposal was completed in July 2018.

In April 2018, following approval by Shareholders for the diversification of the Group's business into the education sector, the Group entered into a collaboration with Repton International relating to the establishment of international kindergartens in certain countries within the Asia-Pacific region, and to license certain trade marks, including the name "Repton School" and the crest logo associated therewith.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

In May 2018, the Company announced its proposed investment of US\$1.5 million into American Scholar Group, Inc. (“**ASG**”). ASG is a company incorporated in the United States of America and is an education consulting organisation dedicated to facilitating study-in-America opportunities and cross-cultural experiences for international students and educators. The investment was made via a secured convertible loan which will allow the Group to convert the loan into new shares representing up to 75.0% of the issued and outstanding capital stock of ASG.

In the second quarter of 2018, the Group completed the development of its projects in Australia, being the Williamsons Estate (comprising 104 townhouses) and the Willow Apartments (comprising 64 apartments). The townhouses in Williamsons Estate have been fully sold. As of 1 August 2019, approximately 98.0% of the units in the Willow Apartments have been sold.

In July 2018:

- the Group entered into a contract to acquire the Pirie Street Property in Adelaide, Australia, a freehold site with a land size of 1,283 square metres for a purchase price of A\$14.5 million. The acquisition was completed in the same month. The Group intends to demolish the existing building on the site and redevelop the property into a hotel development; and
- the Group entered into a sale and purchase agreement with WL Holdco Pte. Ltd., an affiliate of Navis Capital, to acquire 70.0 per cent. of the issued share capital of White Lodge for an aggregate consideration of S\$13.3 million. White Lodge, together with its subsidiaries, operate a chain of pre-school centres in Singapore and Malaysia. The acquisition was completed in August 2018.

In September 2018:

- the Company announced a proposed investment of up to the US\$ equivalent of RMB100 million for an effective interest of up to 35.0% in Guangzhou Yuanda. Guangzhou Yuanda is a company incorporated under the laws of the PRC with its principal business being education software, online K-12 education, education training and consulting services. This is the Group’s first foray into the PRC; and
- the Group entered into an agreement to sell its 10,165 square metres development site located at 242 West Coast Highway, Scarborough, Western Australia for a sale price of A\$24.5 million. The sale was completed in November 2018.

In October 2018, Celine Tang and Gordon Tang entered into an agreement to acquire from the original founding members of the Group (being Lim Tiam Seng, Lim Tiang Chuan, Lim Tian Back, Lim Sock Joo, Lim Tian Moh, Dawn Lim Sock Kian and Kwek Lee Keow) approximately 29.73% of the Shares (the “**Founders’ Sale of Shares**”). Immediately following the completion of the Founders’ Sale of Shares, other than Lim Sock Joo and Dawn Lim Sock Kiang, the rest of the original founding members of the Group ceased to hold Shares. In addition, consequential changes were made to the composition of the Board with effect from 11 October 2018, involving, amongst other things, the appointment of Celine Tang as the Non-Executive Chairman and a

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Non-Independent and Non-Executive Director of the Company, the appointment of Lock Wai Han as an Independent Director of the Company and the resignations of Lim Tiang Chuan and Dawn Lim Sock Kiang as Directors of the Company.

In November 2018, the Group was awarded a S\$20.8 million contract by the HDB relating to the design and build of upgrading projects for precincts at Yishun Ring Road, Yishun Avenue 5 and Yishun Street 61.

In December 2018, the Company redeemed S\$107.0 million in aggregate principal amount of Series 002 Notes and S\$99.8 million in aggregate principal amount of Series 003 Notes, in each case, issued pursuant to its S\$750 million Multicurrency Debt Issuance Programme. The redemption was pursuant to the exercise of a put option by certain holders of the notes following the occurrence of a “Change of Control” (as defined in the terms of the notes) as a result of the Founders’ Sale of Shares. Following the cancellation of the redeemed notes, the aggregate outstanding principal amount of the Series 002 Notes and the Series 003 Notes is S\$13.0 million and S\$25.3 million respectively.

Key Developments for HY2019

In January 2019:

- the Group’s first Repton-brand international kindergarten, operating as “Repton Schoolhouse”, commenced operations in Singapore. The kindergarten is located at Alexandra Central; and
- the Group was awarded the tender for the land parcel at Kampong Java Road at a tender price of S\$418.4 million by the URA. The allowable development is residential, and the Group intends to develop the site into a condominium project, with approximately 380 units.

In February 2019, the Company announced its proposed investment (through White Lodge) in Invictus International for approximately S\$9.5 million. Invictus International owns and operates an independent co-educational international primary school at Dempsey Hill in Singapore and (through its wholly-owned subsidiary) a pre-school centre known as “Swallows and Amazons” in the Turf Club complex in Singapore. Such investment was completed in April 2019, following which White Lodge has a direct shareholding interest of 64.6% in Invictus International while the Group has an effective interest of approximately 45.3% in Invictus International. In August 2019, the Group increased its effective interest in Invictus International to approximately 55.4% through the acquisition of shares from certain existing shareholders of Invictus International for a total consideration of approximately S\$2.5 million.

In March 2019:

- the Company incorporated a 70.0%-owned subsidiary, Greenville Consultancy & Management (Shanghai) Co., Ltd. (“**Greenville Consultancy**”), in Shanghai, the PRC. It is intended that Greenville Consultancy will manage and operate early learning centres in the PRC for children aged from 3 to 12;

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- the Company updated its S\$750 million Multicurrency Debt Issuance Programme and added CES Treasury Pte. Ltd. (“**CES Treasury**”), a wholly-owned subsidiary of the Company, as an issuer to such programme. All sums payable in respect of the notes and perpetual securities issued from time to time by CES Treasury pursuant to the programme will be unconditionally and irrevocably guaranteed by the Company. In the same month, CES Treasury issued S\$100 million 6 per cent. Series 004 Notes due 2022 (the “**Series 004 Notes**”) pursuant to the updated programme; and
- the Group’s development project, High Park Residences, located at Fernvale Road, Singapore received its temporary occupation permit. The Group has an effective interest of 60.0% in this project. This is the Group’s most sizeable development project to date in terms of number of units and the project is fully sold.

In April 2019, the Company announced the grant of 10,000,000 Share Options to Raymond Chia and 5,000,000 Share Options to Tan Tee How (an Executive Director of the Company). The aforementioned Share Options will vest in April 2021.

In June 2019:

- the Company announced the expansion plans of Invictus International to set up a kindergarten and an international primary school in Hong Kong; and
- the Company announced that its wholly-owned subsidiary and Haiyi Shantou Investment Group Co., Ltd will jointly invest in a real estate development project located in Taicang City, Jiangsu Province, the PRC (the “**Taicang Project**”). The investment will be through Taicang Jianianhua Real Estate Development Co., Ltd (the “**Taicang Project Co**”), which owns the real estate property for the Taicang Project. The Taicang Project involves the development and construction of a residential development on a land area of approximately 38,000 square metres. Following such investment, the Group, Haiyi Shantou Investment Group Co., Ltd and the existing shareholder of Taicang Project Co will each hold 51.0%, 29.0% and 20.0% respectively of the equity interest of Taicang Project Co. This will be the Group’s first foray into property development in the PRC. The investment will be undertaken by the Company’s wholly-owned subsidiary in the PRC, CEL Technology Development (Taicang) Co., Ltd, which was incorporated on 8 August 2019.

Key Developments from 1 July 2019 to the Latest Practicable Date

In July 2019:

- the Group entered into an agreement with TPSCI, relating to the collaboration to establish an elementary school in Singapore for students aged 6 to 11. The elementary school, which the Group aims to set up by early 2020, will reflect the ethos of The Perse School, which is an independent school in Cambridge, United Kingdom; and

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- the Group completed its first closing with respect to its investment in Guangzhou Yuanda for a subscription price of US\$10.2 million. Following the first closing, the Group has an effective interest of approximately 34.9% in Guangzhou Yuanda. The remaining new shares to be subscribed by the Group on the second and third closing will be determined based on the satisfaction of certain key performance indicators for the financial years ending 2019 and 2020 respectively.

In August 2019:

- the Group entered into a contract with Tarneit West Childcare Pty Ltd (as trustee of the Tarneit West Childcare Unit Trust) to acquire its childcare centre business for a consideration of A\$3.5 million. The childcare centre has a maximum enrolment number of 130 and is located within Tarneit, a suburb of Melbourne, Australia. The Company intends to engage the services of White Lodge and/or its subsidiaries to manage and operate the business on completion of the acquisition. The proposed acquisition presents the Group's education segment with the opportunity to extend its footprint in the childcare business into Australia;
- the Company announced that the Pirie Street Property will be developed into a new Hyatt Regency in Adelaide. Construction is expected to commence in early 2020 and the hotel is expected to commence operations in early 2023. The 27-storey hotel will offer 295 rooms and facilities which will include more than 8,000 square feet of event space, a Market Cafe, a Regency Club, swimming pool, fitness facilities and a rooftop bar; and
- the Company announced that it was proposing to undertake the Rights Issue.

In September 2019:

- the Company announced on 13 September 2019 that all the resolutions in relation to the Rights Issue as set out in the notice of EGM dated 29 August 2019 were approved by Shareholders at the EGM;
- the Company announced that Invictus International will also be setting up a middle and high school in Hong Kong for students in grade 7 to grade 12; and
- the Company released a trading update on 20 September 2019, details of which are set out in the section titled “**Trading Update**” of this Offer Information Statement.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date, the issued share capital of the Company is approximately S\$79.7 million divided into 626,014,061 Shares (excluding treasury shares).

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

As at the Latest Practicable Date, the loan capital of the Company is as follows:

Securities	Amount issued	Amount outstanding	Rate of interest per annum
Series 002 Notes due 2021	S\$120,000,000	S\$13,000,000	4.75%
Series 003 Notes due 2022	S\$125,000,000	S\$25,250,000	4.90%
Series 004 Notes due 2022	S\$100,000,000	S\$100,000,000	6.00%

(e) where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

The interests of the Substantial Shareholders, as extracted from the register of Substantial Shareholders of the Company, as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Substantial Shareholder						
Celine Tang	168,907,000 ⁽²⁾	26.98	17,198,000 ⁽³⁾	2.75	186,105,000	29.73

Notes:

- (1) Based on the total number of 626,014,061 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Celine Tang and Gordon Tang are jointly holding 168,907,000 Shares.
- (3) Celine Tang's deemed interest includes 17,198,000 Shares held by Senz.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- (f) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**

As at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated which may have or which have had in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

- (g) **where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**

(i) **if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**

(ii) **if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests; and**

CES Treasury has on 15 March 2019 issued the Series 004 Notes pursuant to the S\$750,000,000 Multicurrency Debt Issuance Programme established by the Company on 18 October 2013 and last updated on 4 March 2019. The Series 004 Notes are unconditionally and irrevocably guaranteed by the Company.

On 9 April 2019, the Company granted to Raymond Chia and Tan Tee How (an Executive Director of the Company) options to subscribe for 10,000,000 Shares and 5,000,000 Shares respectively pursuant to the Chip Eng Seng Employee Share Option Scheme 2013.

Save as disclosed above, the Company has not issued any securities, securities-based derivatives contracts or equity interests within the 12 months immediately preceding the Latest Practicable Date.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the Group has not entered into any material contracts outside the ordinary course of business for the period of two (2) years immediately preceding the date of lodgement of this Offer Information Statement:

- (i) the Management and Underwriting Agreement, details of which are set out in paragraph 7 of Part 6 “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule;
- (ii) a receiving bank agreement dated 19 August 2019 entered into between the Company and the Manager and Underwriter in relation to the Rights Issue;
- (iii) the Irrevocable Undertakings, details of which are set out in paragraph 7 of Part 6 “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule;
- (iv) the Pricing Supplement dated 13 March 2019 in relation to the issue of the Series 004 Notes; and
- (v) in relation to the update of the Company’s S\$750 million Multicurrency Debt Issuance Programme in March 2019:
 - (1) the Amendment and Restatement Programme Agreement dated 4 March 2019 entered into between the Company (as issuer and guarantor), CES Treasury (as issuer) and DBS Bank Ltd. (as arranger and dealer);
 - (2) the Amendment and Restatement Trust Deed dated 4 March 2019 entered into between the Company (as issuer and guarantor), CES Treasury (as issuer) and DBS Trustee Limited (as trustee);
 - (3) the Amendment and Restatement Agency Agreement dated 4 March 2019 entered into between the Company (as issuer and guarantor), CES Treasury (as issuer), DBS Bank Ltd. (as issuing and paying agent, agent bank, transfer agent and registrar) and DBS Trustee Limited (as trustee);
 - (4) the Second Supplemental Deed of Covenant dated 4 March 2019 entered into by the Company; and
 - (5) the Deed of Covenant dated 4 March 2019 entered into by CES Treasury.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

- 1. Provide selected data from –**
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and**
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.**

- 2. The data mentioned in paragraph 1 of this Part must include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and must in addition include the following items:**
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;**
 - (b) earnings or loss per share; and**
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.**

- 3. Despite paragraph 1 of this Part, where –**
 - (a) unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and**
 - (b) the audited financial statements for that year are unavailable,**

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The audited consolidated income statements of the Group for FY2016, FY2017 and FY2018 and the unaudited consolidated income statements of the Group for HY2018 and HY2019 are set out below:

	FY2016 ⁽¹⁾	FY2017 ⁽¹⁾	FY2017 ⁽²⁾	FY2018 ⁽²⁾	HY2018 ⁽²⁾	HY2019 ⁽²⁾
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
			Restated &			
	Audited	Audited	Audited	Audited	Unaudited	Unaudited
Revenue						
Property development	411,727	571,682	571,682	828,638	325,788	374,099
Construction	298,213	239,308	230,394	169,850	91,912	82,484
Hospitality	27,425	38,624	38,624	71,653	33,494	39,294
Education	–	–	–	2,599	–	5,113
Property investment and others	10,630	10,109	10,109	7,494	3,687	3,664
	747,995	859,723	850,809	1,080,234	454,881	504,654
Cost of sales	(601,516)	(707,216)	(693,347)	(837,786)	(351,404)	(413,579)
Gross profit	146,479	152,507	157,462	242,448	103,477	91,075
Other items of income						
Interest income	4,146	4,224	4,224	5,613	1,830	4,062
Other income	12,972	21,572	21,572	3,758	913	2,036
Other items of expense						
Marketing and distribution	(6,810)	(14,622)	(6,457)	(14,106)	(7,755)	(7,310)
Administrative expenses	(60,463)	(68,970)	(67,993)	(94,224)	(38,508)	(42,995)
Finance costs	(19,555)	(25,120)	(37,924)	(50,373)	(18,385)	(31,043)
Share of results of associates and joint venture	(660)	582	582	4,928	2,055	969
Profit before tax	76,109	70,173	71,466	98,044	43,627	16,794
Income tax expense	(24,385)	(14,399)	(15,305)	(17,794)	(14,474)	(3,247)
Profit for the year/ period	51,724	55,774	56,161	80,250	29,153	13,547
Attributable to:						
Owners of the Company	35,686	35,506	32,742	63,121	18,371	15,241
Non-controlling interests	16,038	20,268	23,419	17,129	10,782	(1,694)
	51,724	55,774	56,161	80,250	29,153	13,547

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Notes:

- (1) This information is prepared based on Singapore Financial Reporting Standards.
- (2) This information is prepared based on Singapore Financial Reporting Standards (International) (“**SFRS(I)**”), a new financial reporting framework that is effective from 1 January 2018. Pursuant to the first-time adoption of SFRS(I) by the Group for its FY2018 financial statements, comparative period data for FY2017 has been restated to comply with the SFRS(I). Accordingly, the Group has made adjustments to the comparative period upon the adoption of the SFRS(I). Please refer to the annual report of the Company for FY2018 for more details.

	FY2016	FY2017	FY2017	FY2018	HY2018	HY2019
			Restated &			
	Audited	Audited	Audited	Audited	Unaudited	Unaudited
Dividend per share (cents)	4.00	4.00	4.00	4.00	–	–
Before the Rights Issue						
Basic EPS (cents)	5.75	5.72	5.27	10.13	2.96	2.43
Diluted EPS (cents)	5.70	5.62	5.18	9.93	2.88	2.41
After the Rights Issue⁽¹⁾						
Basic EPS (cents)	4.59	4.57	4.21	8.09	2.36	1.95
Diluted EPS (cents)	4.56	4.50	4.15	7.97	2.31	1.93

Note:

- (1) Calculated on the assumption that (a) the Rights Issue was completed; and (b) the 156,503,515 Rights Shares were issued, at the beginning of each financial year/period without taking into account the effect of the use of Net Proceeds on the earnings of the Group.

4. In respect of –

- (a) **each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

HY2019 (Unaudited) versus HY2018 (Unaudited)

Overall

The Group posted a 10.9% increase in revenue from S\$454.9 million to S\$504.7 million due to contribution from the education division and improved performances primarily from the property development and hospitality divisions. Despite higher revenue, gross profit dropped by 12.0% from S\$103.5 million to S\$91.1 million on lower margins.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

In line with lower gross profit and higher expenses, profit before tax declined by 61.5% from S\$43.6 million to S\$16.8 million while profit after tax decreased by 53.5% from S\$29.2 million to S\$13.5 million.

Property Development

Revenue rose 14.8% from S\$325.8 million to S\$374.1 million mainly attributable to the progressive revenue recognition from Grandeur Park Residences and Park Colonial, partially offset by the lower contributions from the Williamsons Estate in Doncaster, Melbourne, Australia and High Park Residences which were completed in the second quarter of FY2018 and the first quarter of FY2019 respectively.

Construction

Revenue decreased by 10.3% from S\$91.9 million to S\$82.5 million due to the lower contributions from Woodlands N1C26 & N1C27 and Tampines N6C1A/1B which were completed in the second half of FY2018. The decrease was partially offset by the revenue contributions from the two (2) Bidadari projects and Sengkang N4C39 & C40.

Hospitality

Revenue from the hospitality division increased by 17.3% from S\$33.5 million to S\$39.3 million mainly due to the improved performance in Grand Park Kodhipparu Resort in Maldives and the full half-year contribution from the Mercure & Ibis Styles Grosvenor Hotel in Adelaide, South Australia, which was acquired in March 2018.

Education

Revenue from the education division relates to the revenue of White Lodge, the Group's first Repton Schoolhouse and the newly-acquired Invictus International.

Property Investment and Others

Revenue from the property investment division remained flat at S\$3.7 million.

FY2018 (Audited) versus FY2017 (Restated and Audited)

Overall

The Group posted a 27.0% increase in revenue from S\$850.8 million in FY2017 to S\$1.1 billion in FY2018. This was mainly due to improved performances from the property development and hospitality divisions, offset by decrease in revenue from the construction division. Gross profit increased by 54.0% from S\$157.5 million in FY2017 to S\$242.4 million in FY2018 due to better margins from the property development division.

Tax-wise, the Group recorded a lower effective tax rate compared to the previous year. This was due to the write-back of tax provision in respect of prior years and benefits from previously unrecognised tax losses. As a result, profit after tax increased by 42.9% from S\$56.2 million in FY2017 to S\$80.3 million in FY2018.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Property Development

Revenue rose 44.9% from S\$571.7 million in FY2017 to S\$828.6 million in FY2018. This was mainly attributable to progressive revenue recognition from High Park Residences, Grandeur Park Residences and Park Colonial, along with the progressive handover of townhouses of Williamsons Estate in Doncaster, Melbourne, Australia and the sale of property sites in Australia.

Construction

Revenue decreased by 26.3% from S\$230.4 million in FY2017 to S\$169.9 million in FY2018. This was due to lower contributions from Woodlands N1C26 & N1C27 and Tampines N6C1A/1B. The decrease was partially offset by revenue contributions from Bidadari C6 & C7 and Bidadari C8 & C9.

Hospitality

Revenue from the hospitality division soared 85.5% from S\$38.6 million in FY2017 to S\$71.7 million in FY2018, boosted by higher occupancy rates at Grand Park Kodhipparu Resort in Maldives and Park Hotel Alexandra in Singapore as well as contributions from the Group's latest hospitality assets, The Sebel Mandurah in Western Australia and Mercure & Ibis Styles Grosvenor Hotel in Adelaide, South Australia.

Education

Revenue from the education division relates to the revenue of White Lodge.

Property Investment and Others

Revenue from the property investment division fell by 25.9% from S\$10.1 million in FY2017 to S\$7.5 million in FY2018, due to the divestment of 420 St Kilda Road, Melbourne, Australia, in August 2017.

FY2017 (Audited) versus FY2016 (Audited)

Overall

The Group posted a 14.9% increase in revenue from S\$748.0 million in FY2016 to S\$859.7 million in FY2017. This was mainly due to improved performances from the hospitality and property development divisions. Despite a stronger topline, gross profit registered a slower growth of 4.1% from S\$146.5 million in FY2016 to S\$152.5 million in FY2017 due to softer construction margins. Profit before tax declined 7.8% from S\$76.1 million in FY2016 to S\$70.2 million in FY2017 due to higher marketing and distribution expenses, administrative expenses and finance costs, but was partially offset by a divestment gain arising from the sale of the office building at 420 St Kilda Road, Melbourne, Australia.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Tax-wise, the Group recorded a lower effective tax rate compared to the previous year. This was due to the higher tax rate arising from divestment gains from the Victoria Street site in Melbourne, Australia in FY2016. As a result, the Group's net profit after tax rose by 7.8% from S\$51.7 million in FY2016 to S\$55.8 million in FY2017.

Property Development

Revenue rose 38.8% from S\$411.7 million in FY2016 to S\$571.7 million in FY2017. This was mainly attributable to progressive revenue recognition from High Park Residences and Grandeur Park Residences, along with new sales at the Fulcrum residential development. The progressive handover of townhouses of Williamsons Estate in Doncaster, Melbourne, Australia, also contributed positively to the topline.

Construction

Revenue decreased by 19.8% from S\$298.2 million in FY2016 to S\$239.3 million in FY2017. This was due to lower contributions from Bukit Batok N1C13 & N2C23 and Sembawang N1C10, following their completion in the first half of FY2017, and slower pre-cast components sales. This decrease was partially offset by higher revenue contributions from Woodlands N1C26 & N1C27, Tampines N6C1A/1B, Bidadari C6 & C7 and Bidadari C8 & C9.

Hospitality

Revenue from the hospitality division soared 40.8% from S\$27.4 million in FY2016 to S\$38.6 million in FY2017, boosted by higher occupancy rates at Park Hotel Alexandra, Singapore and contributions from the Group's latest hospitality asset, Grand Park Kodhipparu Resort, Maldives, which opened its doors for business in June 2017.

Property Investment and Others

Revenue from the property investment division fell by 4.9% from S\$10.6 million in FY2016 to S\$10.1 million in FY2017, due to the divestment of 420 St Kilda Road, Melbourne, Australia, in August 2017.

Financial Position

5. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –
 - (a) the most recently completed financial year for which audited financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The audited consolidated statement of financial position of the Group as at 31 December 2018 and the unaudited consolidated statement of financial position of the Group as at 30 June 2019 are set out below:

	As at 31 December 2018⁽¹⁾ S\$'000 Audited	As at 30 June 2019⁽¹⁾ S\$'000 Unaudited
Non-current assets		
Property, plant and equipment	364,221	375,986
Investment properties	250,617	250,391
Intangible assets	16,677	21,927
Investment in associates and joint venture	9,497	10,174
Deferred tax assets	5,956	7,547
Trade and other receivables	40,411	42,112
	687,379	708,137
Current assets		
Development properties	1,410,329	1,639,478
Inventories	2,152	2,930
Prepayments	2,708	3,419
Trade and other receivables	123,444	266,019
Contract assets	501,307	146,869
Capitalised contract costs	16,663	13,589
Cash and short-term deposits	342,558	316,776
	2,399,161	2,389,080
Total assets	3,086,540	3,097,217
Current liabilities		
Loan and borrowings	129,773	136,624
Trade and other payables	64,814	58,565
Contract liabilities	99,488	28,180
Other liabilities	48,430	51,139
Income tax payable	9,716	4,126
	352,221	278,634
Net current assets	2,046,940	2,110,446

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

	As at 31 December 2018⁽¹⁾ S\$'000 Audited	As at 30 June 2019⁽¹⁾ S\$'000 Unaudited
Non-current liabilities		
Loan and borrowings	1,681,360	1,736,016
Trade and other payables	140,696	159,151
Other liabilities	36	16,999
Deferred tax liabilities	38,172	42,655
	1,860,264	1,954,821
Total liabilities	2,212,485	2,233,455
Net assets	874,055	863,762
Equity attributable to owners of the Company		
Share capital	79,691	79,691
Treasury shares	(30,034)	(30,034)
Retained earnings	773,466	763,666
Other reserves	(5,775)	(7,345)
	817,348	805,978
Non-controlling interests	56,707	57,784
Total equity	874,055	863,762

Note:

(1) This information is prepared based on SFRS(I), a new financial reporting framework that is effective from 1 January 2018.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

6. The data mentioned in paragraph 5 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

For illustrative purposes only, the following is an analysis of the financial effects of the Rights Issue on the NAV per Share.

	Audited As at 31 December 2018	Unaudited As at 30 June 2019
<u>Before the Rights Issue</u> ⁽¹⁾		
Number of Shares	626,014,061	626,014,061
NAV per Share (S\$)	1.31	1.29
<u>After the Rights Issue</u> ⁽²⁾		
Number of Shares	782,517,576	782,517,576
NAV per Share (S\$)	1.17	1.15

Notes:

- (1) Based on the existing issued Shares as at 31 December 2018 and 30 June 2019 (as the case may be).
- (2) Calculated on the assumption that (a) the Rights Issue was completed; and (b) the 156,503,515 Rights Shares were issued, as at 31 December 2018 and 30 June 2019 (as the case may be).

Please also refer to paragraph 5 of Part 5 “**Operating and Financial Review and Prospects – Financial Position**” of the Sixteenth Schedule.

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recently completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The audited consolidated statement of cash flows of the Group for FY2018 and the unaudited consolidated statement of cash flows of the Group for HY2019 are set out below:

	FY2018⁽¹⁾	HY2019⁽¹⁾
	S\$'000	S\$'000
	Audited	Unaudited
Operating activities		
Profit before tax	98,044	16,794
Adjustments for:		
Interest income	(5,613)	(4,062)
Gain on disposal of property, plant and equipment	(231)	(229)
Gain on disposal of intangible assets	(20)	–
Finance costs	50,373	31,043
Property, plant and equipment written off	1	95
Provision for onerous contract	7,500	–
Depreciation of property, plant and equipment	18,810	10,240
Impairment of property, plant and equipment	3,922	–
Amortisation of intangible assets	161	185
Amortisation of capitalised contract cost	12,752	5,840
Impairment of intangible assets	2,013	–
Fair value loss on investment properties	1,042	–
Unrealised exchange loss	5,292	1,806
Share of results of associates and joint venture	(4,928)	(969)
Loss on liquidation of an associate	17	–
Impairment loss on receivables	338	–
Share-based compensation expenses	995	226
Operating cash flows before changes in working capital	190,468	60,969
Changes in working capital:		
Development properties	159,913	(225,928)
Capitalised contract cost	(15,343)	(2,766)
Inventories	165	(795)
Prepayments	2,380	(720)
Trade and other receivables and contract assets	(303,432)	210,346
Trade and other payables and contract liabilities	(59,444)	(59,750)
Other liabilities	(12,385)	1,284
Cash flows used in operations	(37,678)	(17,360)
Interest paid	(60,539)	(34,153)
Interest received	5,613	4,062
Income taxes paid	(5,809)	(5,958)
Net cash flows used in operating activities	(98,413)	(53,409)

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

	FY2018 ⁽¹⁾ S\$'000 Audited	HY2019 ⁽¹⁾ S\$'000 Unaudited
Investing activities		
Purchase of property, plant and equipment	(21,889)	(4,608)
Proceeds from disposal of property, plant and equipment	606	302
Net cash outflow on acquisition of subsidiaries	(10,377)	(3,265)
Net cash outflow on acquisition of business assets	(29,690)	–
Proceeds from liquidation of an associate	829	–
Proceeds from disposal of intangible assets	20	–
Dividend income from associates and investment securities	1,350	264
Repayment from associates	1,058	–
Additions to intangible assets	(195)	–
Additions to investment properties	(12,819)	–
Net cash flows used in investing activities	(71,107)	(7,307)
Financing activities		
Repayment of loans and borrowings	(217,347)	(382,591)
Proceeds from loans and borrowings	701,202	344,600
Redemption of term notes	(206,750)	–
Proceeds from issuance of term notes	–	100,000
Dividends paid on ordinary shares	(24,841)	(25,041)
Proceeds from exercise of employee share options	2,771	–
Proceeds from issue of new shares by subsidiary to non-controlling interests	1,620	–
Repayment of obligations under finance leases	–	(1,753)
Net cash flows generated from financing activities	256,655	35,215
Net increase/(decrease) in cash and cash equivalents	87,135	(25,501)
Effect of exchange rate changes on cash and cash equivalents	(2,423)	(281)
Cash and cash equivalents at beginning of the year/period	257,846	342,558
Cash and cash equivalents at end of the year/period	342,558	316,776

Note:

(1) This information is prepared based on SFRS(I), a new financial reporting framework that is effective from 1 January 2018.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

HY2019 (Unaudited)

Net cash flows used in operating activities

Net cash flows used in operating activities of S\$53.4 million was primarily due to development expenditure incurred, partially offset by progressive payments received from development properties.

Net cash flows used in investing activities

Net cash flows used in investing activities of S\$7.3 million was primarily due to the acquisition of Invictus International in April 2019 and the purchase of property, plant and equipment.

Net cash flows generated from financing activities

Net cash flows generated from financing activities of S\$35.2 million was primarily due to the financing obtained for the Kampong Java site and the issuance of medium term notes, partially offset by the repayment of bank borrowings and dividend payment.

FY2018 (Audited)

Net cash flows used in operating activities

Net cash flows used in operating activities of S\$98.4 million was primarily due to development expenditure incurred.

Net cash flows used in investing activities

Net cash flows used in investing activities of S\$71.1 million was primarily due to the acquisition of Mercure & Ibis Styles Grosvenor Hotel, the adjoining properties at Hindley Street, the Pirie Street Property, all of which are located in Adelaide, Australia, and White Lodge.

Net cash flows generated from financing activities

Net cash flows generated from financing activities of S\$256.7 million was primarily due to the proceeds from loans and borrowings for development projects.

8. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

In the reasonable opinion of the Directors, after taking into consideration the existing banking facilities available to the Group, the Group's internal resources and operating cash flows, and the Net Proceeds, and barring any unforeseen circumstances, the working capital available to the Group as at the date of lodgement of this Offer Information Statement is sufficient for at least the next 12 months.

9. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide –**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

As at the Latest Practicable Date, to the best of the Directors' knowledge, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

Trend Information and Profit Forecast or Profit Estimate

10. **Discuss –**

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and**
- (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section titled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement for further details.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Please also refer to the section titled “**Trading Update**” and the section titled “**Risk Factors**” set out in **Appendix A** to this Offer Information Statement.

Save as disclosed in this section, in the section titled “**Trading Update**”, in the section titled “**Risk Factors**” set out in **Appendix A** to this Offer Information Statement and elsewhere in this Offer Information Statement, the Company’s annual reports, circulars and SGXNET announcements, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group’s net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

Business and Financial Prospects of the Group for the next 12 months from the Latest Practicable Date

Property Development

Singapore

Notwithstanding the improved property prices for private residential property for the second quarter of FY2019, the Group will remain selective in replenishing its land bank and adopt competitive pricing strategy in view of the rising supply in the pipeline and slow sales in new launches.

As of 1 August 2019, approximately 97.4% of the units in Grandeur Park Residences have been sold while approximately 82.6% of the units in Park Colonial have been sold. As of 1 August 2019, approximately 38.4% of the units in Parc Komo have been sold since its launch in May 2019.

Australia

Property prices in Sydney and Melbourne have risen for the first time since 2017 due to lower mortgage rates despite the fall in prices at a national level.

Construction

The Group’s construction order book had remained flat at S\$388.4 million in the second quarter in 2019 compared to S\$388.8 million in the corresponding quarter in 2018. This is because the new pre-cast contracts secured by the Group were offset by recognition of revenue. The order book has since declined due to progressive billings for existing projects and no award of new contracts. The Group is therefore considering augmenting its construction business by expanding its capabilities through organic growth and/or through strategic acquisitions, such as acquiring other construction companies which have differentiating building and construction capabilities from that of the Group.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Hospitality

Tourist arrivals in Singapore and in the Maldives have improved in the first half of FY2019. The Company expects the Group's hotels and resorts in Singapore and the Maldives to benefit from growth in tourist arrivals in these two markets. The Company also expects the hospitality sector in its other key market, Australia, to continue to remain healthy. The Group will continue to actively explore opportunities to grow its hospitality business in Australia, the Maldives, Singapore and other strategic locations. It may do so through acquisitions of existing hospitality assets and businesses and/or enter into joint ventures with strategic partners to develop hospitality assets in these jurisdictions.

The Group has obtained planning approval for its Pirie Street Property to be re-developed into a new hotel. The hotel will be branded as the Hyatt Regency Adelaide.

Education

Subject to regulatory approvals and licences being obtained, Invictus International will open a kindergarten, primary, middle as well as high school in Hong Kong.

The Group will open a second "Repton Schoolhouse" kindergarten in Singapore by the end of FY2019.

Trends, Uncertainties, Demands, Commitments or Events

Certain business factors or risks which could materially affect the Group's profitability are set out in the section titled "**Trading Update**" and the section titled "**Risk Factors**" set out in **Appendix A** to this Offer Information Statement. There are uncertainties, demands, commitments or events that may have a material and adverse impact on the business, results of operations, financial condition and prospects of the Group, should they take place.

The section titled "**Trading Update**" and the section titled "**Risk Factors**" set out in **Appendix A** to this Offer Information Statement are only summaries, and are not exhaustive descriptions, of all uncertainties, demands, commitments or events. There may be additional uncertainties, demands and commitments or events not presently known to the Group or that the Group may currently deem immaterial, which could affect its business, results of operations, financial condition and prospects.

11. **Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- 12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

- 13. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 13 of this Part –**

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

- 15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 13 of this Part –**

- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

16. Disclose any event that has occurred from the end of –

- (a) the most recently completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement and the Company's SGXNET announcements, the Directors are not aware of any event that has occurred since 30 June 2019 up to the Latest Practicable Date which may have a material effect on the Group's financial position and results.

Meaning of "published"

17. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 6 – THE OFFER AND LISTING

Offer and Listing Details

1. **Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**

Issue Price : S\$0.63 for each Rights Share, payable in full on acceptance and/or application.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers or purchasers of the Rights Shares.

A non-refundable administrative fee of S\$2.00 will be incurred for each Electronic Application made through the ATMs of Participating Banks. Such administrative fee shall be borne by the subscribers of the Rights Shares.

2. **If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

Not applicable. The Shares are, and the Rights Shares will be, traded on the Main Board of the SGX-ST.

3. **If –**

(a) any of the relevant entity’s shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and

(b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Other than the Nil-Paid Rights, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement for further information.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any approved exchange –
- (a) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts –
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or

The highest and lowest traded prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 September 2019 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares Traded ⁽³⁾ (’000)
	High ⁽¹⁾ (S\$)	Low ⁽²⁾ (S\$)	
September 2018	0.875	0.825	16,912
October 2018	0.965	0.640	300,485
November 2018	0.755	0.670	38,580
December 2018	0.775	0.650	25,778
January 2019	0.715	0.640	35,497
February 2019	0.765	0.690	44,553
March 2019	0.790	0.735	34,760
April 2019	0.820	0.770	34,267
May 2019	0.795	0.670	15,292
June 2019	0.735	0.675	8,731
July 2019	0.735	0.700	6,810
August 2019	0.710	0.620	11,934
1 September 2019 to the Latest Practicable Date	0.635	0.625	5,156

Source: Bloomberg L.P.⁽⁴⁾

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Notes:

- (1) Based on the highest market price for the Shares in a particular month/period.
- (2) Based on the lowest market price for the Shares in a particular month/period.
- (3) Based on the total volume of the Shares traded in a particular month/period.
- (4) Bloomberg L.P. has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Sections 253 and 254 of the SFA. The Company and the Manager and Underwriter have taken reasonable actions to ensure that the above information has been reproduced in its proper form and context and have not conducted an independent review of this information or verified the accuracy of the content of such information. The Company and the Manager and Underwriter are not aware of any disclaimers made by Bloomberg L.P. in relation to the above information.

(b) in a case where the firstmentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the firstmentioned securities or securities-based derivatives contracts –

(i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

Not applicable. The Shares have been listed and quoted on the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

(c) disclose any significant trading suspension that has occurred on the approved exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and

There has been no significant trading suspension of the Shares which are listed on Main Board of the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.

(d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the securities exchange.

Please refer to paragraph 4(a) of Part 6 “**The Offer and Listing – Offer and Listing Details**” of the Sixteenth Schedule for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 September 2019 to the Latest Practicable Date. Based on the information set out therein, the Shares are regularly traded on the Main Board of the SGX-ST.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

5. Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide –
- (a) a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.

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

The Rights Shares are to be issued pursuant to the specific approval granted by Shareholders to the Directors at the EGM.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Basis of Provisional Allotment

The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders on the basis of one (1) Rights Share for every four (4) existing Shares held by Entitled Shareholders as at the Books Closure Date at the Issue Price, fractional entitlements to be disregarded.

Based on the issued share capital of the Company as at the Latest Practicable Date of 626,014,061 Shares (excluding treasury shares), the Company will issue 156,503,515 Rights Shares.

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

Entitled Shareholders

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date. Entitled Shareholders are eligible to participate in the Rights Issue and to receive this Offer Information Statement together with the ARE or PAL, as the case may be, and other accompanying documents at their respective Singapore addresses.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Entitled Shareholders are at liberty to accept, decline, or otherwise renounce or trade, in whole or in part, their Nil-Paid Rights and will be eligible to apply for additional Rights Shares in excess of their Nil-Paid Rights. Entitled Depositors will also be able to trade their Nil-Paid Rights on the SGX-ST under the book-entry (scripless) settlement system during the Nil-Paid Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders' entitlements, and will, together with the Rights Shares represented by the provisional allotments of (i) Entitled Shareholders who decline, do not accept, or elect not to renounce or trade their Nil-Paid Rights under the Rights Issue and/or (ii) Ineligible Shareholders, be aggregated and used to satisfy excess applications (if any), or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights 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. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renounees) shall be entitled to apply for Excess Rights Shares.

The Rights Shares are not offered through the selling efforts of any broker or dealer other than the Manager and Underwriter.

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, the ARE, the ARS and the PAL and (if applicable) the Constitution.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled "**Eligibility of Shareholders to Participate in the Rights Issue**" of this Offer Information Statement for further details.

7. **Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.**

Management and Underwriting Agreement

The Underwritten Rights Shares, constituting approximately 68.49 per cent. of the total number of Rights Shares, have been underwritten by the Manager and Underwriter at the Issue Price on the terms and subject to the conditions of the Management and Underwriting Agreement.

Pursuant to the Management and Underwriting Agreement, in consideration of the Manager and Underwriter's agreement to subscribe and/or procure subscriptions for the Underwritten Rights Shares, the Company will pay to the Manager and Underwriter the Underwriting Commission.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The Management and Underwriting Agreement is conditional upon certain events, including (a) the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST being granted and remaining in full force and effect; and (b) the Irrevocable Undertakings being in full force and effect.

The Manager and Underwriter may, under the terms of the Management and Underwriting Agreement, terminate the agreement on account of, among other things, the occurrence of events involving a material adverse change in the financial condition, business, properties, assets, prospects or results of operations of the Group. The Manager and Underwriter may not terminate the Management and Underwriting Agreement for reason of a *force majeure* event on or after the commencement of the trading of the Shares ex-rights without consulting the SGX-ST on such termination.

Sub-underwriting Agreement

The Controlling Shareholders have entered into the Sub-underwriting Agreement with the Manager and Underwriter pursuant to which they have agreed, on the terms and subject to the conditions of the Sub-underwriting Agreement, to subscribe for the Unsubscribed Shares.

In consideration of the Sub-underwriting Commitment, the Manager and Underwriter will pay to the Controlling Shareholders the Sub-underwriting Commission.

Pursuant to the Sub-underwriting Agreement, in the event the Controlling Shareholders default in the performance of their obligations under the Sub-underwriting Agreement, the Manager and Underwriter shall be entitled to treat the Sub-underwriting Agreement as an application by the Controlling Shareholders for the Unsubscribed Shares, and to authorise the Company to issue and allot the same to the Controlling Shareholders upon payment therefor at the Issue Price for each Rights Share.

Irrevocable Undertakings

As at the date of the Controlling Shareholders' Irrevocable Undertaking and the Raymond Chia's Irrevocable Undertaking respectively:

- (a) the Controlling Shareholders have a joint direct interest in 168,907,000 Shares, representing approximately 26.98 per cent. of the total number of issued Shares (the "**Controlling Shareholders Relevant Shares**"). Celine Tang also has a deemed interest in an additional 17,198,000 Shares through Senz, representing approximately 2.75 per cent. of the total number of issued Shares (the "**Senz Relevant Shares**"). Accordingly, Celine Tang is interested in an aggregate of 186,105,000 Shares, representing approximately 29.73 per cent. of the total number of issued Shares; and
- (b) Raymond Chia has a direct interest in 11,125,000 Shares, representing approximately 1.78 per cent. of the total number of issued Shares (the "**Raymond Chia Relevant Shares**").

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

The Controlling Shareholders have given the Controlling Shareholders' Irrevocable Undertaking to the Company that, *inter alia*:

- (i) as at the Books Closure Date, the Controlling Shareholders shall have a joint direct interest in not less than the number of the Controlling Shareholders Relevant Shares;
- (ii) Celine Tang shall procure that, as at the Books Closure Date, Senz shall have an interest in not less than the number of the Senz Relevant Shares;
- (iii) the Controlling Shareholders shall subscribe and pay in full and/or procure the subscription and payment in full for their entire *pro-rata* entitlement to the Rights Shares under the Rights Issue in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date; and
- (iv) Celine Tang shall procure the subscription and payment in full for Senz's entire *pro-rata* entitlement to the Rights Shares under the Rights Issue in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date.

Raymond Chia has given the Raymond Chia's Irrevocable Undertaking to the Company that, *inter alia*:

- (1) as at the Books Closure Date, he shall have a direct interest in not less than the number of the Raymond Chia Relevant Shares;
- (2) he shall not exercise on or prior to the Books Closure Date any of the 35,000,000 vested Share Options that he held as at the date of the Raymond Chia's Irrevocable Undertaking; and
- (3) he shall subscribe and pay in full and/or procure the subscription and payment in full for his entire *pro-rata* entitlement to the Rights Shares under the Rights Issue, based on the Raymond Chia Relevant Shares, in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date.

Accordingly, the Undertaking Shareholders collectively will subscribe and pay in full and/or procure the subscription and payment in full for an aggregate of 49,307,500 Rights Shares, which constitute approximately 31.51 per cent. of the total number of Rights Shares.

No commission or fee will be payable by the Company to the Undertaking Shareholders in consideration of the Irrevocable Undertakings.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

PART 7 – ADDITIONAL INFORMATION

Statements by Experts

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**

(a) state the date on which the statement was made;

(b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and

(c) include a statement that the expert has given, and has not withdrawn, his or her written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

- 3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his or her written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

The Manager and Underwriter has given and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager and Underwriter of the Rights Issue.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –**
- (a) the relevant entity’s business operations or financial position or results; or**
 - (b) investments by holders of securities or securities-based derivatives contracts in the relevant entity.**

Save as disclosed in this Offer Information Statement and the Company’s SGXNET announcements, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Group’s business operations, financial position or results, or investments by holders of securities or securities-based derivatives contracts in the Company.

PART 8 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART 9 – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

PART 10 – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. **Provide –**

- (a) the particulars of the rights issue;**

Please refer to the section titled “**Summary of the Rights Issue**” of this Offer Information Statement for the particulars of the Rights Issue.

- (b) the last day and time for splitting of the provisional allotment of the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

4 October 2019 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company).

Please refer to the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement for further details.

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES
(OFFERS OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED
DERIVATIVES CONTRACTS) REGULATIONS 2018**

- (c) **the last day and time for acceptance of and payment for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

10 October 2019 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks) (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company).

Please refer to the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement for further details.

- (d) **the last day and time for renunciation of and payment by the renounee for the securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

10 October 2019 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company).

Entitled Depositors who wish to renounce their provisional allotments of Rights Shares in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Nil-Paid Rights.

Please refer to the section titled “**Expected Timetable of Key Events**” of this Offer Information Statement for further details.

- (e) **the terms and conditions of the offer of securities or securities-based derivatives contracts to be issued pursuant to the rights issue;**

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

- (f) **the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**

Please refer to paragraph 7 of Part 6 “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule for details of the terms of the Irrevocable Undertakings.

- (g) **if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**

Not applicable. The Rights Issue is underwritten by the Manager and Underwriter.

PART 11 – ADDITIONAL INFORMATION REQUIRED FOR OFFER INFORMATION STATEMENT FOR PURPOSES OF SECTION 277(1AC)(a)(i) OF ACT

Not applicable.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

REVIEW OF WORKING CAPITAL

1. A review of the working capital for the last three financial years and the latest half year, if applicable.

The summary of the working capital of the Group for the last three (3) financial years as at 31 December 2016, 31 December 2017 and 31 December 2018 and the latest half year as at 30 June 2019 is set out below.

	As at 31 December 2016⁽¹⁾ S\$'000	As at 31 December 2017⁽¹⁾ S\$'000	As at 31 December 2017⁽²⁾ S\$'000	As at 31 December 2018⁽²⁾ S\$'000	As at 30 June 2019⁽²⁾ S\$'000
	Audited	Audited	Restated & Audited	Audited	Unaudited
Total current assets	1,704,288	2,055,460	2,132,402	2,399,161	2,389,080
Total current liabilities	402,224	162,461	223,303	352,221	278,634
Net current assets	1,302,064	1,892,999	1,909,099	2,046,940	2,110,446

Notes:

(1) This information is prepared based on Singapore Financial Reporting Standards.

(2) This information is prepared based on SFRS(I), a new financial reporting framework that is effective from 1 January 2018. Pursuant to the first-time adoption of SFRS(I) by the Group for its FY2018 financial statements, comparative period data for FY2017 has been restated to comply with the SFRS(I). Accordingly, the Group has made adjustments to the comparative period upon the adoption of the SFRS(I). Please refer to the annual report of the Company for FY2018 for more details.

HY2019 (Unaudited) versus FY2018 (Audited)

Total current assets decreased by S\$10.1 million mainly due to the decreased contract assets as a result of the transfer to trade receivables following the completion of High Park Residences, mitigated by the increase in trade receivables and costs incurred on development properties. The current liabilities decreased by S\$0.1 billion mainly due to the decreased contract liabilities attributed to lesser amount of advances from customers following the progressive recognition of revenue. As a result, net current assets increased from S\$2.0 billion to S\$2.1 billion.

FY2018 (Audited) versus FY2017 (Restated and Audited)

Total current assets increased by S\$0.2 billion mainly due to costs incurred on on-going development projects and the acquisition of a development site. The increase is partially offset by an increase in total current liabilities of S\$0.1 billion due mainly to financing obtained for development projects. As a result, net current assets increased from S\$1.9 billion to S\$2.0 billion.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

FY2017 (Audited) versus FY2016 (Audited)

Total current assets increased by S\$0.4 billion mainly due to the acquisition of development sites. Total current liabilities decreased by S\$0.2 billion mainly because of the repayment of bank loans and redemption of term notes. As a result, net current assets increased from S\$1.3 billion to S\$1.9 billion.

2. CONVERTIBLE SECURITIES

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual**

- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable.

3. MANAGER AND UNDERWRITER'S RESPONSIBILITY STATEMENT

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

This page has been intentionally left blank.

APPENDIX A: RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors and/or subscribers in making an informed judgment on the Rights Issue are set out below. Prospective investors and/or subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest or subscribe for the Rights Shares. The Group may be affected by a number of risks that may relate to the industries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following considerations and uncertainties develops into actual events, the business, financial considerations and results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Shares could decline and a prospective investor or subscriber may lose all or part of his investment in the Shares and the Rights Shares.

*Prospective investors and/or subscribers should also note that certain of the statements set forth below constitute "forward-looking statements" that involve risks and uncertainties – please refer to the section titled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement.*

RISKS RELATING TO THE GROUP'S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

General risks

The Group's future plans may not be commercially successful.

The Group's ability to successfully pursue new growth opportunities will depend on, amongst other things, its continued ability to identify and acquire suitable property development and construction projects, investment properties and hospitality assets on satisfactory terms, secure new project tenders and/or awards and/or identify technologies and/or work processes which may improve the Group's operations and/or its ability to identify suitable collaborations and opportunities in its education business. A failure by the Group to successfully implement its strategy may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

In addition, expansion plans generally involve numerous risks, including but not limited to, the financial costs of setting up new business units and working capital requirements. Such expansion plans may be expensive and may divert the attention of the Group's management and expose its business to unforeseen liabilities or risks associated with entering new markets or new businesses.

The Group may also not be successful in integrating its new businesses, products or technologies and might not achieve the anticipated synergies for revenue growth and cost benefits. If it fails to achieve a sufficient level of revenue or if its expansion plans result in the incurrence of debt, contingent liabilities, impairment charges related to goodwill or other intangible assets or any other unanticipated events or circumstances, its future financial position and performance may be materially and adversely affected.

APPENDIX A: RISK FACTORS

If the Group fails to implement its future plans successfully, it may not be able to recover its investment and the Group's business, financial condition, prospects and results of operations may be adversely affected.

Developments in the economic, legal or regulatory environment in the countries in which the Group operates, or may operate, may have a material and adverse impact on the Group.

Local business and operational risks in the different countries and cities in which the Group operates, or may operate, could have a material impact on the financial condition, results of operations and growth prospects of such businesses. The Group's operations are geographically diversified in the Asia-Pacific region, with a key focus on Singapore, and strategic presences in Australia, Malaysia, Vietnam, Maldives, the PRC and New Zealand. The Group is, and may increasingly become, exposed to different and changing political, social, legal, tax, regulatory and environmental requirements at the local, national or international level. In addition, new policies or measures by governments, whether fiscal, tax, regulatory, environmental or other competitive changes, may lead to an increase in additional or unplanned capital expenditure, may pose a risk to the overall investment return of the Group's businesses and may delay or prevent the commercial operation of a business with resulting loss of revenue and profit.

The business and prospects of the Group may be materially and adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, industry laws and regulations, taxation, expropriation, social instability and other political, legal, economic or diplomatic developments in or affecting the markets in which the Group currently operates or may enter in the future. The Group has no control over such conditions and developments and any changes in such conditions and developments may adversely affect the Group's business, financial condition, results of operations and prospects.

The legal systems of certain countries in which the Group operates, or may operate, may still be maturing and the interpretation, application and enforcement of laws and regulations in such countries may involve uncertainty.

The legal systems of certain countries (for instance, developing countries) in which the Group operates, or may operate, may still be maturing and the interpretation, application and enforcement of laws and regulations in such countries may involve uncertainty. The laws and regulations of such countries may be supplemented or otherwise modified by undocumented practices. Such practices may not have been ruled upon by the courts or enacted by legislative bodies and they may change without notice. There may also be limited precedents on the interpretation, implementation or enforcement of the laws and regulations of such countries. Therefore, some degree of uncertainty exists in relation to the application of existing laws and regulations. As such countries are still in the process of developing a comprehensive set of laws and regulations, laws and regulations or the interpretation of the same may be subject to change on short notice.

In addition, there is no assurance that the Group will be able to recognise or enforce a foreign arbitral award without a re-examination of the merits of the case in a full proceeding in the courts of the foreign countries in which the Group operates. Uncertainties in foreign legal court systems could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

APPENDIX A: RISK FACTORS

The Group is exposed to fluctuations in the residential and commercial property markets.

The property development and construction industries in the countries which the Group operates in are cyclical and significantly affected by changes in general and local economic conditions, including employment levels, availability of financing, interest rates, consumer confidence and demand for both residential and commercial properties. The process of a development or construction project begins, and financial and other resources are committed, long before the project comes into the market, which could occur at a time when the residential and commercial property markets are depressed. A depressed property market could adversely affect the Group's business, financial condition, prospects and results of operations.

As the Group's construction activities are principally carried out in Singapore, it is especially vulnerable to any downturn in the local residential and commercial property markets. Accordingly, there is a risk that dampened general sentiment in the local property market and reduced construction demand may erode profit margins for any available construction projects due to keen competition. Further, the Group may be affected by property cooling measures introduced from time to time by the respective governments of the countries in which the Group operates. For example, in recent years, the Singapore government has implemented several rounds of such measures to regulate the movement in property prices in Singapore to promote a more stable and sustainable property market. In the event that such measures result in lowered demand for property development and construction activities, the Group's business, financial condition, prospects and results of operations may be adversely affected.

In addition, if the Singapore government postpones or reduces public sector projects that are available for tender, especially those in the HDB segment, the Group's revenue may also be adversely affected. The Group expects the number of tenders to decrease in the coming years due to the rising trend towards larger scale projects. Further, in the event that the Singapore government further reduces the supply of build-to-order HDB flats, the number of public sector projects that are available to the Group for tender may be further reduced and this may have an adverse impact on the Group's business, financial condition, prospects and results of operations.

The Group is subject to revenue and profit volatility.

The Group is vulnerable to revenue volatility which is characteristic of property development and construction companies. The amount of revenue to be recognised in a financial year is dependent on the number, value and stage of completion of the projects undertaken by the Group, which in turn depends on various factors, such as the availability of the Group's resources, market sentiment, market competition and general economic conditions.

There is no assurance that the amount of revenue from the sale of property development projects and the completion of construction projects will remain comparable every year. Should there be any reasons that cause the Group to undertake fewer or no new property development projects or construction projects or should there be any delay in the progress of any of the projects in the Group's portfolio, its revenue recognised in a particular year may be adversely affected.

APPENDIX A: RISK FACTORS

Future acquisitions, joint ventures or other arrangements may expose the Group to increased risks.

The Group expects that it may from time to time, as a matter of business strategy, enter into property development projects, grow its hospitality portfolio or expand its education business through the formation of joint ventures, strategic alliances, partnerships or other investment structures. Acquisitions that the Group may make, along with potential joint ventures and other investments, may also expose the Group to additional business and operating risks and uncertainties, including:

- (i) direct and indirect costs in connection with the transaction;
- (ii) the inability of the Group to effectively integrate and manage acquired businesses;
- (iii) the inability of the Group to exert control over strategic decisions made by these companies;
- (iv) time and resources expended to coordinate internal systems, controls, procedures and policies;
- (v) disruption of ongoing business and the diversion of management's time and attention from other business concerns;
- (vi) the risk of entering markets in which the Group may have no or limited prior experience;
- (vii) the potential loss of key employees and customers of the acquired businesses;
- (viii) the risk that an investment or acquisition may reduce the Group's future earnings; and
- (ix) exposure to unknown liabilities.

The Group may also face the risk that its joint venture partners are unable or unwilling to fulfil their obligations under the relevant joint venture agreements, including the possibility of the joint venture partners failing to perform because they do not possess adequate experience or the skill sets expected of them. The Group's joint venture partners may also experience financial or other difficulties, which may affect their ability to carry out their contractual obligations, thus resulting in additional costs to the Group.

There is no assurance that such acquisitions, joint ventures, strategic alliances and partnerships will be successful. If the Group is unable to successfully implement the Group's growth strategy or address the risks associated with the Group's acquisitions, joint ventures, strategic alliances and partnerships, or if the Group encounters unforeseen difficulties, complications or delays frequently encountered in connection with the integration of acquired businesses and the expansion of operations, or if the Group fails to achieve acquisition synergies, the Group's business, financial performance, financial condition and operating cash flow may be materially and adversely affected.

Political uncertainties or new government regulations such as restrictions on ownership can also result in a decline in the value of the Group's investments in these joint ventures or a loss in its ability to influence the management of these companies. There is no assurance that the Group will not, in the future, encounter such business risks which, if financially material, may have an adverse effect on the Group's business, financial condition, prospects and results of operations.

APPENDIX A: RISK FACTORS

The Group may not be able to obtain financing on terms favourable to the Group or at all.

As at 30 June 2019, the Group had approximately S\$1,873 million of total borrowings comprising short-term borrowings of S\$137 million and long-term borrowings of S\$1,736 million. While the Group has unutilised banking facilities and available funds, there can be no assurance that the Group will be able to refinance its indebtedness, as and when such indebtedness becomes due, on commercially reasonable terms or at all. Additionally, the Group's level of indebtedness means that a material portion of its expected cash flows may be set aside for the payment of interest on its indebtedness, thereby reducing the funds available to the Group for use in its general business operations. The Group's level of indebtedness, coupled with the current global economic climate, and its obligations with respect to the financial covenants in its loan facilities, may also result in accelerated demands for payment or calls by lenders on the occurrence of events of default. This may restrict the Group's ability to obtain additional financing for capital expenditure, acquisitions or general corporate purposes and may cause it to be particularly vulnerable in the current volatile economic environment or any future general economic downturn. In addition, in the event that the Group is required to restructure its borrowings or provide funding to any of its subsidiaries or associated companies to, amongst other things, optimise the capital management structure within the Group, it may have to incur additional indebtedness or raise further capital through the issuance of new securities.

There can be no assurance that the Group will be able to obtain additional financing for its needs, either on a short-term or a long-term basis, on terms favourable to the Group or at all. The factors that could affect the Group's ability to procure financing include the cyclicity of its business and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. In addition, further consolidation in the banking industry in Singapore and/or elsewhere may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to any one company or sector. Failure to obtain additional financing may result in the Group forgoing expansion opportunities and this could affect the Group's business materially and adversely.

Additional debt financing may include conditions that would restrict the Group's freedom to operate its business, such as conditions that:

- (i) impose restrictions on acquisitions of new businesses;
- (ii) require the Group to set aside a portion of cash flow from business operations towards repayment of the Group's debt, thereby reducing the availability of the Group's cash flow to fund capital expenditure, working capital and other general corporate purposes; and/or
- (iii) limit the Group's flexibility in planning for, or reacting to, changes in the Group's business and industry.

Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect the Group's cash flow. An increase in interest rates, especially for a prolonged period, could have a material and adverse effect on the Group's business and financial performance.

APPENDIX A: RISK FACTORS

The Group may be affected by uninsured loss to its properties.

Certain liabilities in respect of the Group's properties may not be insured, such as liabilities arising from acts of terrorism, war or other civil disorder. These are generally considered to have a lower probability of occurring in Singapore or the countries in which the Group operates, and may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. The Group's properties may also suffer physical damage caused by fire or natural disaster or other causes. There may therefore be circumstances in which the Group will not be covered or sufficiently covered or compensated for losses, damages or liabilities arising in relation to its properties, thereby adversely affecting its profitability and financial performance. Should an uninsured loss or a loss in excess of insured limits occur, the Group could suffer a loss in capital invested in the affected property as well as anticipated future revenue from that property. The Group would also remain liable for any debt or other financial obligations related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage will be available in the future on commercially reasonable terms or at commercially reasonable rates. Such factors may adversely affect the Group's business, financial condition, prospects and results of operations.

The Group may be involved in legal and other proceedings from time to time.

From time to time, the Group may be involved in disputes with various parties such as contractors, sub-contractors, consultants, suppliers, construction companies, purchasers, customers and other partners involved in, amongst other things, the development, operation, purchase and sale of its properties. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays in, amongst other things, the construction or completion of its properties. In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable orders, directives or decrees that may result in financial losses and delay the construction or completion of its projects. There can be no assurance that these disputes will be settled on favourable or reasonable terms, or at all. In the event such disputes are not settled on favourable or reasonable terms, or at all, the Group's business, financial condition, prospects and results of operations may be adversely affected.

The Group's performance may be affected by its ability to attract and retain high quality personnel.

The Group's future performance depends largely on its ability to attract, train, retain and motivate high quality personnel, especially for its management and technical teams. The loss of key employees (without suitable and timely replacements) or the inability to attract high quality personnel may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

The Group is exposed to foreign exchange risks.

The Group is exposed to foreign exchange risks due to fluctuations in foreign exchange rates. A substantial portion of the Group's investments is, and will continue to be, denominated in Australian Dollars and the respective local currencies of countries where the Group operates, while its reporting currency is in Singapore Dollars. This being the case, many of the Group's activities and income, costs and operating cash flows are exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the Australian Dollar and the respective local currencies of countries where the Group operates, when the assets and liabilities are translated into Singapore Dollars for financial reporting purposes. Consequently, portions of

APPENDIX A: RISK FACTORS

the Group's costs and margins are affected by fluctuations in the exchange rates between these currencies. As far as possible, the Group adopts a natural hedge by funding its operations and investments in the same local currency to mitigate its exposure to exchange rate fluctuations. However, there can be no assurance that the Group will not be exposed to future exchange rate fluctuations in the relevant countries when capital and profits are repatriated back to Singapore.

The Group's financial statements are subject to changes in accounting standards.

The Singapore Accounting Standards Council may issue new and revised accounting standards and pronouncements from time to time. Applying such standards and pronouncements to the Group's financial statements may result in a change in the presentation and measurement of financial information, and thus may result in a change in the way the Group records its revenues, expenses, assets, liabilities or reserves. For example, changes in accounting policies in relation to revenue recognition may result in fluctuations in the Group's revenue recognised year-on-year. The Group has adopted the Singapore Financial Reporting Standards (International) on 1 January 2018, which has resulted in changes in, amongst other things, the Group's revenue recognition methods in relation to its construction contracts, the sale of development properties under construction as well as the treatment of certain development costs.

The Group cannot predict the impact of changes in accounting standards and pronouncements. Such changes could adversely affect the Group's reported financial results and positions and adversely affect the comparability of the Group's future financial statements with those relating to prior periods.

The Group could incur significant costs relating to environmental matters.

The Group may be subject to various environmental laws and regulations in countries where it operates that may require a current or previous owner of a real estate property to investigate and clean up hazardous or toxic substances at such property. Such laws often impose liability without regard as to whether the owner or operator of such property knew of, or was responsible for, the presence of such substances. The cost of investigation, remediation or removal of such substances may be substantial.

Environmental laws may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws can result in penalties or other sanctions.

Additionally, existing environmental reports with respect to the Group's properties may not reveal (i) all environmental liabilities, (ii) whether prior owners or operators of the properties have created any material environmental condition not known to the Group, or (iii) whether a material environmental condition exists in any one or more of the properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. The Group may be subject to liabilities or penalties relating to environmental matters which could adversely affect the Group's business, financial condition, prospects and results of operations.

APPENDIX A: RISK FACTORS

The outbreak of an infectious disease or the occurrence of any other serious public health concerns in the countries in which the Group operates and elsewhere could adversely impact the Group's business, financial condition, prospects and results of operations.

Outbreaks of communicable diseases could lead to disruptions in the functioning of international markets and adversely affect Singapore and other economies in which the Group operates. Any material change in the financial markets, Singapore economy or other economies in which the Group operates as a result of these events or developments may materially and adversely affect the Group's business, financial condition, prospects and results of operations. The outbreak of an infectious disease in the countries in which the Group operates and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantine measures, could have a negative impact on the global economy and business activities in the countries in which the Group operates and elsewhere, and could thereby adversely impact the revenues and results of the Group. An outbreak of an infectious disease or the occurrence of any other serious public health concern in the countries in which the Group operates and elsewhere could seriously harm the Group's business.

The Group's operations may be subject to disruptions caused by uncontrollable and unforeseen events and influences, such as terrorist attacks, other acts of violence or war and adverse political developments.

The Group may face severe disruption in operations from events or circumstances not within its control which, sustained over time, may negatively impact the Group's financial condition and performance. Examples of these events or circumstances include conflicts, wars, terrorism and other social disruptions, adverse weather and natural disasters (including floods and earthquakes), increased costs and unexpected delays from the engagement of third party contractors and service providers, accidents or fires which may result in injuries, and damages to critical equipment, power supply or infrastructure. Any of these events or conditions could materially and adversely affect the Group's business, financial condition, financial performance, results of operations and prospects.

More specifically, terrorist attacks worldwide have resulted in substantial and continuing global economic volatility and social unrest. Further developments stemming from these events or other similar events could cause further volatility. The direct and indirect consequences of any of these terrorist attacks or armed conflicts are unpredictable. Any additional response by attacked nations or their allies or any further terrorist activities could also materially and adversely affect international financial markets and the economies in which the Group operates and may thereby adversely affect its business, financial condition, prospects and results of operations.

Risks relating to the Group's property development and property investment businesses

The Group is subject to government regulation in the countries in which it operates.

The property development industry in the countries in which the Group operates is generally subject to significant government regulations, which may result in a reduction in the Group's income or an increase in the Group's costs. In addition, regulatory approvals may be required for, amongst other things, land and title acquisition, development planning and design, construction and mortgage financing and refinancing. Such approvals may stipulate, amongst other things, maximum periods for the commencement of development of the land. Some of these countries may also restrict the level, percentage and manner of foreign ownership and investment in real estate or may impose additional costs on foreigners seeking to invest in or own properties. Such regulations are at times ambiguous and the interpretation and application of these regulations can

APPENDIX A: RISK FACTORS

be inconsistent, which can affect demand for the Group's properties and may potentially be detrimental to the Group. If the Group fails to obtain the relevant approvals or comply with applicable laws and regulations, it may, amongst other things, be subject to penalties, have its licences or approvals revoked, or lose its right to own, develop or manage its properties and its businesses, any or all of which could have a material and adverse impact on its business, financial condition, prospects and results of operations. Governments of the countries in which the Group operates may also seek to promote a stable and sustainable property market by monitoring the property market and adopting measures as and when they deem necessary. These governments may introduce new policies or amend or abolish existing policies at any time and these policies may have retroactive effect. These changes may have a material and adverse impact on the overall performance of the property markets in which the Group operates and thus affect the Group's business, financial condition, prospects and results of operations.

In addition, in the countries in which the Group operates, in order to develop and complete a property development, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights certificates, planning permits, pre-sale permits and certificates or confirmation of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions. Problems may be encountered in obtaining such government approvals or in fulfilling the conditions required for obtaining the approvals, especially as new laws, regulations or policies may come into effect from time to time with respect to the property development industry in general or the particular processes for the granting of approvals. If the Group fails to obtain the relevant approvals or fulfil the conditions of those approvals for its property developments, these developments may not proceed as scheduled, and the Group's business, financial condition, prospects and results of operations may be adversely affected.

The Group's property development business may face increasing competition.

The Group's property development business faces competition from both international and local property developers with respect to factors such as location, facilities and supporting infrastructure, services and pricing. Intensified competition between property developers may result in increased costs for land acquisition, oversupply of properties and a slowdown in the approval process for new property developments by the relevant government authorities, all of which may adversely affect the Group's property development business. There can be no assurance that the Group's strategies will be effective or that it will be able to compete successfully in the future against its existing or potential competitors or that increased competition with respect to its activities will not have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

The Group's property development business faces competition from other property developers who may have greater financial resources than the Group. This competition may limit the Group's opportunity to invest in projects that could add value or have a higher rate of return.

The Group may not be able to obtain land plots and development projects which it desires or to successfully market and complete its projects.

The Group's ability to continue its property development business is dependent on its ability to obtain land plots and development projects which it desires and to successfully market and complete its projects. Any unforeseen delays in the tender for, launch and completion of these projects may have an adverse impact on the Group's profitability and track record.

APPENDIX A: RISK FACTORS

The Group's property development business may be significantly affected by interest rate fluctuations.

An increase in interest rates in Singapore and/or any of the countries in which the Group operates may negatively impact its property development business. Higher interest rates generally make it harder for consumers to secure financing, which can lead to a decrease in the demand for residential and commercial properties. Any downturn in the economy or consumer confidence could negatively impact the demand for all types of property that the Group has under development and negatively affect the Group's business, financial condition, prospects and results of operations.

Furthermore, as at 30 June 2019, approximately S\$1,734 million of the Group's consolidated borrowings (representing approximately 92.6 per cent. of the Group's consolidated borrowings) bear floating interest rates. Consequently, the interest cost to be borne by the Group for its floating interest rate borrowings will be subject to fluctuations in interest rates. In addition, the Group may be subject to market disruption clauses contained in its loan agreements with banks. Such clauses generally state that to the extent that the banks may face difficulties in raising funds in the interbank market or are paying materially more for interbank deposits than the displayed screen rates, they may pass on the higher costs of funds to the borrower despite the margins agreed.

The Group may enter into some hedging transactions to partially mitigate the risk of interest rate fluctuations. However, there can be no assurance that its exposure to interest rate fluctuations will be adequately covered. As a result, the Group's business, financial condition, prospects and results of operations could be adversely affected by interest rate fluctuations.

The Group's property development projects are subject to uncertainties.

The Group's performance is dependent on its ability to identify property development projects with good potential returns and by completing such projects within a scheduled time frame to realise such returns. Such ability is based on the Group's understanding of the operational environment and/or anticipation of the market conditions. The Group's property development projects may be adversely affected by a number of factors, including but not limited to the international, regional and local economic climate, local real estate conditions, perceptions of property buyers, businesses, retailers or shoppers in terms of the location and attractiveness of the property development, competition from other available properties, changes in market rates for comparable sales and increased business and operating costs. In particular, the Group's development activities are subject to the risk of delays in obtaining required approvals, the availability of raw materials, changes in interest rates, increases in construction costs and land costs, natural disasters and reliance on third-party contractors. As a result of these and other factors described herein, no assurance can be given as to whether or when existing and planned projects will be successfully completed. Accordingly, there is no assurance that the Group will be successful in identifying profitable property development projects, and completing and launching such projects under the best possible market conditions as planned. There is also no assurance that a project, which may be assessed to be profitable at the initial phases, will not turn out to be a loss-making asset or investment of the Group due to changes in circumstances which are not within the Group's control. Should the Group fail to identify profitable property development projects and complete them profitably or within a reasonable time, this may have an adverse effect on its business, financial condition, prospects and results of operations.

In addition, the Group has been on the lookout to extend its geographical reach in its property development business. The Group recently made its first foray into the property development business in the PRC through its proposed investment in the Taicang Project. Taicang Project Co

APPENDIX A: RISK FACTORS

was facing financial difficulties due to a lack of funds which resulted in certain creditors (including a lending bank and contractors) commencing legal action leading to, *inter alia*, the land use right to the property which is the subject of the Taicang Project being currently sealed off by the PRC courts. Development works in relation to the Taicang Project cannot be commenced until this is resolved. The objective of the investment by the Company and its joint venture partner is to apply the proceeds of the investment towards discharging the outstanding liabilities of Taicang Project Co such that its assets will be unsealed, normal operations can resume and work can commence on the Taicang Project. There is no assurance that this can be achieved and there is no assurance that the Group's investment in the Taicang Project will be commercially successful. Even after work commences, Taicang Project Co may run into further funding and related issues which may result in undue delays to the completion of the Taicang Project or even render it unable to complete the Taicang Project. The investment in the Taicang Project may also expose the Group to unforeseen liabilities or risks associated with the entry into a new market.

The Group faces risks before realising any benefits, if at all, from property development projects.

Property development typically requires substantial capital outlay during the land acquisition and construction phases and may take one or more years before positive cash flows may be generated through the pre-sale or sale of a completed property development. Depending on the size of the development, the time span for completing a property development usually lasts for more than a year.

Consequently, changes in the business environment during the length of the project may affect the revenue and cost of the development, which in turn have a direct impact on the profitability of the project. Factors that may affect the profitability of a project include high financing costs, the failure to complete construction according to original specifications, schedule or budget and poor sales. The sales and value of a development project may be adversely affected by a number of factors, including but not limited to the international, regional and local economic climate, local real estate conditions, perceptions of property buyers in terms of the convenience and attractiveness of the projects, competition from other available properties and changes in market rates for comparable sales. If any of the property development risks described above materialises, the Group's returns on investments may be lower than originally expected and its business, financial condition and results of operations may be adversely affected.

The Group is subject to risks in relation to its pre-sold properties.

Failure or delay in completion or delivery

In the event the Group pre-sells any properties prior to completion of construction, it may be liable for potential losses that purchasers of such pre-sold properties may suffer if there is a failure or delay in the delivery of such pre-sold properties. Failure to complete a property development on time may be attributed to factors such as delays in obtaining requisite licences, permits or approvals from government agencies or authorities, shortages of labour, adverse weather conditions, natural disasters, labour disputes, disputes with contractors, accidents and changes in government priorities and policies.

If the delay in delivery extends beyond the contractually specified period, purchasers may also be entitled to terminate the pre-sale agreements and claim refunds of monies paid, damages and compensation for late delivery. There can be no assurance that the Group will not experience failure or significant delays in completion or delivery.

APPENDIX A: RISK FACTORS

Payment default by purchasers

Following the global financial crisis and the imposition of lending restrictions by governments in certain countries, financial institutions have reduced the availability of credit as well as increased borrowing costs. This has resulted in a general fall in property prices and the demand for property, as well as a decrease in the value of other security interests which purchasers of properties could provide to such financial institutions in these countries.

Accordingly, purchasers of the Group's properties under deferred payment schemes or otherwise may find it increasingly difficult to secure financing to fund their purchases and could default on their obligations to pay for their units. The Group has granted, and may from time to time grant, purchasers of its properties (including purchasers of a substantial number of units in a development) an extension of time to pay for their units. However, there can be no assurance that any such extension or other accommodation granted by the Group to purchasers in respect of their obligations to pay for their units will subsequently result in a purchaser being able to pay for their units. In the event a purchaser defaults, and the total amount in default is substantial, this could adversely affect the Group's business, financial condition, prospects and results of operations.

The Group may be adversely affected by unsold properties.

In the event that the Group is unable to sell a significant proportion of its properties, its financial performance may be materially and adversely affected. Furthermore, the unsold properties that the Group continues to hold for sale post-completion may be relatively illiquid, and this could limit its ability to realise cash from unsold units on short notice. In such an event, the cash flow and financial performance of the Group may be adversely affected. Unsold properties in Singapore may also incur penalties if they are not sold within certain prescribed time limits.

The Group's rental rates for its investment properties will depend on market conditions.

Rental rates have experienced significant volatility in recent years due to global and regional economic instability and other factors beyond the Group's control. If rental rates decline as a result of an increase in the availability of office buildings or due to changes in economic conditions, the Group may be unable to lease its investment properties on commercially viable terms or at all. If the Group enters into leases when market conditions are not favourable, the Group's financial performance and results of operations may be materially and adversely affected.

The Group's future cash flow may be affected by the Group's exposure to key tenants.

Part of the Group's industrial and commercial properties is leased. The Group's ability to lease vacant units and the value of such units in the Group's industrial and commercial properties could be adversely affected by the loss of a key tenant or in the event such key tenant files for bankruptcy or insolvency or experiences a downturn in its business. In addition, the Group may face difficulties in finding suitable replacement tenants for space vacated by key tenants in a timely manner, if at all, and if found, the lease terms with such replacement tenants may be less favourable to the Group. Under certain market conditions, key tenants may receive more favourable terms, for example, lower rental rates or other incentives. Accordingly, the Group's ability to optimise its revenue and cash flow for such industrial and commercial space that has been leased to such key tenants could be adversely affected. Any of these events could materially and adversely affect the Group's business, financial condition and results of operations.

APPENDIX A: RISK FACTORS

Failure to find replacement tenants may affect the Group's performance.

In the event that the Group does not find replacement tenants or the terms of replacement tenancies are less favourable to the Group than current leases, the Group faces the risk that vacancies following non-renewal of leases may lead to reduced occupancy levels or that the terms of replacement tenancies could be less favourable than current leases, which may in turn reduce the Group's revenue. If the leases are not renewed or are renewed on terms less favourable to the Group, this could affect the Group's business, financial condition and results of operations for that year. In addition, if a large number of leases expire at the same time, the Group's existing or prospective tenants may have more leverage in negotiating a lower rental price, which might adversely impact the Group's revenue and business.

Risks relating to the Group's construction business

The Group is subject to government legislation, regulations and policies which affect the construction industry in the countries in which the Group operates and requires various licences and permits for its operations.

The Group is subject to government legislation, regulations and policies which affect the construction industry in the countries in which the Group operates, including those governing, amongst other things:

- (i) employment of workers (including foreign workers) in the countries in which the Group operates, such as overtime limits and the Man-Year Entitlement ("MYE") allocation system in Singapore;
- (ii) the conditions of the work permits of foreign workers;
- (iii) licensing of builders;
- (iv) approval and execution of plans of building works;
- (v) workplace safety and health; and
- (vi) environmental matters such as public health and noise pollution,

the contravention of which may subject the Group, its employees and/or its directors to statutory penalties, such as fines imposed by the relevant authorities (which may be significant) or modification, suspension or discontinuance of the Group's operations. Hence, any conviction for such contravention may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

The Group has implemented systems and procedures to comply with such legislation, regulations and policies. However, prior to or notwithstanding the implementation of such systems and procedures, there may have been instances of non-compliance which have since been rectified through the implementation of certain systems and procedures. There is no assurance that the Group, its employees and/or its directors will not be subject to investigations in the future by the relevant authorities in respect of these past instances of non-compliance which have since been rectified, and if found guilty, held liable to statutory penalties such as fines (which may be significant).

APPENDIX A: RISK FACTORS

The Group also requires various licences and permits for its operations. For example, in Singapore, under the Building Control Act, Chapter 29 of Singapore, no person shall commence or carry out, or permit or authorise the commencement or carrying out of, any building works unless the plans of the building works have been approved by the Commissioner of Building Control and in the case of structural works, there is in force a permit granted by the Commissioner of Building Control to carry out the structural works. In the event that such approvals or permits are not obtained, the Group will not be able to undertake the relevant projects, and its business, financial condition, prospects and results of operations may be adversely affected.

The Group's licences and permits may also be granted for fixed periods of time. These will need to be renewed from time to time. There is no assurance that upon expiration of such licences and permits, the Group will be able to successfully renew them in a timely manner or at all, or that the renewal of such licences and permits will not be attached with conditions which the Group may find difficult to comply with, or that if the relevant authorities enact new laws and regulations, the Group will be able to successfully meet their requirements. Failure by the Group to obtain, renew or maintain the required licences and permits, or the cancellation, suspension or revocation of any of its licences and permits may result in the interruption of its operations and have a material adverse effect on its business.

Government legislation, regulations and policies affecting the construction industry in the countries in which the Group operates are also subject to amendments from time to time. Any such changes could adversely affect the Group's business operations and/or have a negative effect on the demand for its construction services. The compliance with such changes may also increase the Group's costs and any significant increase in compliance costs arising from such changes may adversely affect its financial performance. There is no assurance that any changes in government legislation, regulations and policies will not have an adverse effect on the Group's business, financial condition, prospects and results of operations.

Cost overruns could adversely affect the Group's profitability.

In preparation for its projects, the Group carries out internal costing and budgetary estimates which are based on quotations from its suppliers and sub-contractors, and its own estimation of costs. However, unforeseen circumstances such as adverse soil conditions, unfavourable weather conditions, unanticipated construction constraints at the worksite arising during the course of construction, fluctuations in the cost of labour, raw materials, equipment and subcontracted services, unanticipated variations in labour and equipment productivity over the term of a contract and corrective works for poor workmanship may result in delays or errors occurring during the course of the project and may lead to additional costs not previously factored into the Group's contract value. In addition, some of the Group's contracts do not allow for adjustments to the contract value consequent upon a rise in the cost of, amongst others, labour, raw materials, equipment and subcontracted services. Under such circumstances, the cost overruns would have to be absorbed by the Group. In such an event, the Group's business, financial condition, prospects and results of operations may be adversely affected.

In particular, raw materials are a key component of cost of sales. The Group's business, financial condition, prospects and results of operations may be affected if it is not able to pass on the cost overruns to its customers, contractors or sub-contractors, find alternative cheaper sources on a timely basis or obtain extensions for the completion of its construction projects. Furthermore, delay in project completion beyond the scheduled dates may expose the Group to liquidated damages payable to the owners of the project.

APPENDIX A: RISK FACTORS

In addition, the Group's projects require heavy use of construction equipment and machinery. Where the Group's own equipment is not sufficient to handle its projects and/or new equipment is required for its projects, it may acquire or lease additional equipment from suppliers. In the event of unforeseen delays, to ensure that the project schedule can be met, the Group may rent additional equipment and machinery, thereby driving up its project costs. In the event that the Group is unable to continue to acquire or lease construction equipment and machinery at prices or rental rates that are within its projected budget, its business, financial condition, prospects and results of operations may be adversely affected.

The Group is reliant on foreign labour.

The construction industry is highly labour-intensive. As at the Latest Practicable Date, approximately 22 per cent. of the Group's total labour force are foreign workers mainly from India and Bangladesh.

Changes in the labour policies of the countries in which the Group operates and/or those of the foreign workers' countries of origin may affect the supply and/or cost of foreign labour and cause disruption to the Group's operations, delays in the completion of projects and/or increase in project costs. For instance, the availability of the foreign workers to the construction industry in Singapore is regulated by the Ministry of Manpower of Singapore ("**MOM**") through policy instruments such as the imposition of levies and quotas based on the MYE allocation system in Singapore. The Group is susceptible to any increases in such levies and any sudden withdrawal in the supply of foreign workers which may negatively impact the Group's business, financial condition, prospects and results of operations.

An increase in levies may increase the Group's payroll costs, which may negatively affect its profitability. Similarly, an increase in levies may increase the payroll costs of the Group's suppliers and sub-contractors and this may affect their ability to supply the products or carry out the work for which they were contracted, thus delaying the completion of, or causing the failure to reach completion of, the Group's construction projects, resulting in additional costs for the Group or exposing the Group to the risk of liquidated damages.

Restrictions on the supply of foreign labour may result in the Group having to explore alternative and more costly sources of labour for its projects. In such event, the Group's payroll costs may increase and its business, financial condition, prospects and results of operations may be materially and adversely affected. Similarly, in the event that the foreign worker entitlement of the Group's suppliers and sub-contractors is reduced, an inability to seek alternative sources of labour at the same or lower cost may affect their ability to supply the products or carry out the work for which they were contracted, thus delaying the completion of, or causing the failure to reach completion of, the Group's construction projects, resulting in additional costs for the Group or exposing the Group to the risk of liquidated damages.

The Group is required to maintain its BCA gradings for its business in Singapore.

Although business entities which are not registered with the BCA are not precluded from conducting business as contractors or suppliers outside the public sector, registration in the Contractors Registration System maintained by the BCA is a pre-requisite to tendering for projects in the Singapore public sector. CESC and CESE are currently registered with the BCA under the A1 classification for general building. This is the highest classification tier awarded by the BCA that permits a contractor to tender for public sector projects of unlimited contract value. Similarly, both CESC and CESP currently hold the L6 classification from the BCA, permitting them to bid for public sector prefabrication contracts of unlimited value. Separately, CESC and CESE are

APPENDIX A: RISK FACTORS

registered with BCA under the A2 classification and the B2 classification for civil engineering respectively. The A2 classification allows CESC to tender for public sector projects with a contract value of up to S\$85 million while the B2 classification allows CESE to tender for public sector projects with a contract value of up to S\$13 million. To maintain the Group's existing BCA gradings, the Group is required to comply with certain prescribed requirements.

In the event that the Group does not maintain any of its gradings because it fails to comply with any of the requirements laid out by the BCA in respect thereof, such BCA grading may be downgraded. This may in turn reduce the Group's tendering capacity in the public sector. In addition, as private sector projects may sometimes also adopt the same minimum grading requirements for their tenders, any downgrade in any of the Group's BCA gradings could also affect its tendering capacity in the private sector. In such event, the Group's market reputation, business, financial condition, prospects and results of operations may be adversely affected.

The ability of the Group to secure new projects may depend on the Group being able to secure performance bond guarantees and other bank facilities.

In line with the industry practice, certain construction projects in which the Group acts as the main contractor require a performance bond to be furnished by a bank or an acceptable financial institution to guarantee the Group's contractual performance in the project. Generally, the performance bond for each of such projects covers up to approximately five (5) per cent. of the contract value of the project. In the event that the Group defaults in its contractual obligations, the project owner is entitled to call on the bond with the bank or financial institution and the Group's liquidity and financial position may be adversely affected.

The Company has provided corporate guarantees to secure performance bonds from banks or other financial institutions in respect of the Group's ongoing projects. There is no assurance that the Group can continue to secure performance bonds for its new projects in the future or that the performance bonds may be secured on terms that are acceptable to it or on terms as favourable as those previously obtained. If the Group is unable to secure performance bond guarantees from its banks or acceptable financial institutions, it may be unable to secure new projects, and this could have a material adverse effect on its business, financial condition, prospects and results of operations.

The Group's business is vulnerable to keen competition and its performance will depend on its ability to compete effectively against its competitors and adapt to changing market conditions and trends.

The Group is vulnerable to keen competition. CESC and CESE are currently registered with the BCA under the A1 classification for general building. This is the highest classification tier awarded by the BCA that permits a contractor to tender for public sector projects of unlimited contract value. Similarly, both CESC and CESP currently hold the L6 classification from the BCA, permitting them to bid for public sector prefabrication contracts of unlimited value. However, other contractors can obtain such grading if they fulfil the BCA's minimum requirements for such grading. In the event that other contractors are successful in obtaining such grading, they may compete with CESC, CESE and CESP in the same category of business. Additionally, CESC, CESE and CESP may have to submit competitive bid prices in order to secure tenders in the face of keen competition. If CESC, CESE or CESP has to lower bid prices to compete effectively and yet face high operating costs from providing competitive and high standards of service quality, this may have an adverse impact on its profit margins. There is no assurance that the Group will be able to compete effectively with its existing and future competitors and adapt quickly to changing market conditions and trends. Any failure by the Group to remain competitive may adversely affect its business, financial condition, prospects and results of operations.

APPENDIX A: RISK FACTORS

The Group's financial performance is dependent on its successful bidding for new projects and the non-cancellation of secured projects.

As most of the Group's projects are undertaken on a non-recurring basis, it is critical that the Group is able to continuously and consistently secure new projects of similar value and volume. There is no assurance that the Group will be able to do so. In the event that it is not able to continually and consistently secure new projects of similar or higher value and on terms and conditions that are favourable to it, this may have an adverse impact on its business, financial condition, prospects and results of operations. In addition, the scope of work in a project, which is dependent on its scale and complexity, may affect the profit margin of the project. In the event that the Group has to subcontract a material portion of the project work to a third-party sub-contractor, its profit margins from such projects may be reduced.

Cancellation or delay in the commencement of secured projects due to factors such as changes in the businesses of the Group's customers, poor market conditions and lack of funds on the part of the project owners may adversely affect the Group. In addition, there may be a lapse of time between the completion of the Group's projects and the commencement of its subsequent projects. Any cancellation or delay of projects could lead to idle or excess capacity, and in the event that the Group is unable to secure replacement projects on a timely basis, this may adversely affect its business, financial condition, prospects and results of operations.

The Group is liable for defects or failure in the architectural, structural and mechanical and electrical ("M&E") design for the "Design and Build" projects that it undertakes as the main contractor.

For "Design and Build" projects, a single contract is awarded by the developer to the main contractor who is responsible for the architectural, structural and M&E design and construction works of the entire project. External consultants, such as architects and engineers, are always engaged to work on such projects and they will be liable for any defect or failure in the architectural, structural and M&E design of the building arising from their default, as the case may be. However, in the event that such defaults are not sufficiently covered by the professional indemnity insurance taken up by the respective consultants, the Group may be liable to the developer for the residual amount of such defaults. Where sub-contractors are engaged to work on such projects, such sub-contractors will be liable for any defect arising from their default. In the event of any loss or damage which arises from the default of the sub-contractors engaged by the Group, the Group, being the main contractor, will nevertheless be liable for its sub-contractors' default.

If a developer were to succeed in obtaining a court judgment or an arbitration award against the Group for claims on the grounds of design defect or failure, such claims may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

The Group's performance may be affected by unforeseen price fluctuations and rising costs in materials and equipment.

The Group's results of operations are affected by the costs of labour and construction materials such as steel, sand and cement. To the extent that the Group is not able to pass on such increased costs to its customers, the Group's business, financial condition, prospects and results of operations may be adversely affected.

APPENDIX A: RISK FACTORS

Commodity prices are volatile, cyclical and market-driven and are largely determined by changes in the supply and demand of industrial commodities and raw materials that are caused by market fluctuations outside the Group's control. As such, there is no certainty that the Group will be able to purchase the raw materials necessary for its business at commercially reasonable prices, which in turn could adversely affect its profits. In addition, if there is any supply crisis for the necessary raw materials, this may result in delays in the completion of construction of the Group's projects or in the Group having to acquire whatever supply is available at higher prices. Further, the Group's contracts may not allow for adjustments to the contract value of its projects consequent to the occurrence of such circumstances, and any increased costs which were not previously factored into the contract value may need to be absorbed by the Group. Accordingly, the Group's profit margin may be reduced or eroded, which may in turn affect the profitability of the Group's operations.

The Group is subject to credit risk arising from its customers and defaulting counterparties.

The nature of the Group's construction business is that work is often performed before payment is made, even when progress payments are provided for. For the Group's construction business, there is generally a time lag between expenditure incurred and actual payment by customers. This gives rise to credit risk as the financial position of its customers or counterparties may deteriorate over time, and there may be financial losses to the Group should there be significant default in payment by customers. From time to time, the Group may also encounter customers or counterparties who may have cash flow problems and are unable to pay the Group on time or at all. Although the Group adopts a policy of only dealing with creditworthy counterparties and the Group regularly reviews its credit exposure to its customers, credit risks may nevertheless arise from events or circumstances that are difficult to anticipate or detect, including but not limited to political, social, legal, economic and foreign exchange risks that may have an impact on its customers' ability to make timely payment and render the Group's enforcement of payments ineffective.

The Group's financial performance may be adversely affected in the event of any disputes with its customers or sub-contractors.

Disputes may arise between the Group and its customers for various reasons, such as differences in the assessment of acceptable quality standards of workmanship and materials used, disagreements over the value of work done and disputes over contract specifications. Consequently, it is an industry practice for customers to withhold an agreed percentage of the contract sum, typically 5 per cent., as retention monies to defray the costs of instituting any work of repair, reconstruction or rectification of any imperfection or other faults or defects which may surface or be identified only during the defects liability period of typically 12 to 24 months after the official hand-over of a construction project. The Group may therefore encounter difficulties in collecting the full sum or any part of the retention monies due and may run the risk of incurring additional costs to make good the repair, rectification or reconstruction works under dispute, which may cause its profit margin to be eroded or losses to be incurred for the construction project. In such event, the Group's business, financial condition, prospects and results of operations may be adversely affected.

Disputes may also arise from disagreements over the cost of variation orders requested by the Group's customers. This is because, in accordance with industry practice, the variation orders are normally carried out before the additional charges are agreed upon in order for the construction project to be completed on schedule. However, as the cost of variation orders is not determined beforehand, their basis of valuation may become a source of dispute after the construction project

APPENDIX A: RISK FACTORS

has been completed. In such an event, the Group could be required to bear the costs of rejected variation orders, thereby adversely affecting its business, financial condition, prospects and results of operations.

In the course of the Group's construction business, disputes may also arise between the Group and its sub-contractors for various reasons including defective works, delays in the completion of a project and disputes over contract specifications and the final amount payable for work done on a project. It is not uncommon for claims to be made against the Group from time to time by its sub-contractors and customers arising from such disputes in connection with its construction business. In the event that any such claims are successfully made against the Group, its results of operations and financial performance may be materially and adversely affected. Any legal proceedings relating to such claims may also have an adverse effect on the Group's market reputation.

The Group may be affected by accidents and/or violations of workplace safety and health regulatory requirements, and/or violations of environmental regulatory requirements at its worksites.

Accidents or mishaps may occur at the worksites for the Group's projects. As such, the Group is subject to personal injury claims by workers who are involved in accidents at the Group's worksites during the course of their work from time to time.

Such accidents or mishaps may severely disrupt the Group's operations and lead to a delay in the completion of a project, and in the event of such delay, the Group may be liable to pay liquidated damages under the construction contract with its customers. In addition, the Group may incur fines and penalties imposed by the relevant government authorities, including by MOM in relation to any breaches of workplace safety and health regulations on worksites in Singapore. Such accidents or mishaps may also subject the Group to claims from workers or other persons involved in such accidents or mishaps for damages suffered by them, and there may be significant claims which are not covered by the Group's insurance policies. There may also be significant damage to the Group's premises, machinery or equipment as a result of such accidents or mishaps. These may have a significant adverse effect on the Group's business, financial condition, prospects and results of operations.

Furthermore, in Singapore, MOM has implemented a demerit points system for the construction sector. All main contractors and sub-contractors in the construction sector will be issued with demerit points for breaches under the Workplace Safety and Health Act, Chapter 354A of Singapore, and relevant subsidiary legislation. The number of demerit points awarded depends on the severity of the infringement. An accumulation of a minimum of 25 demerit points would immediately trigger debarment of the contractor and applications from the contractor for all types of work passes for foreign employees will be rejected by MOM. The accumulation of more demerit points will result in longer periods of debarment. Each demerit point is valid for 18 months.

In addition, violation of environmental regulatory requirements may occur at the Group's worksites. The Group may incur fines and penalties imposed by the relevant government authorities, including the National Environment Agency in relation to any breaches of environmental regulations on worksites in Singapore. In such an event, the Group's business, financial condition, prospects and results of operations may be materially and adversely affected. In the event that the Group is issued stop-work orders in the future, this may severely disrupt its operations and lead to a delay in the completion of a project. These circumstances may generate negative publicity and adversely affect the Group's market reputation, and may also have a material adverse impact on its business, financial condition, prospects and results of operations.

APPENDIX A: RISK FACTORS

The Group's business is dependent on the services of its suppliers and sub-contractors.

The Group purchases its raw materials and/or acquires or leases equipment from its suppliers for its construction projects. The Group also engages sub-contractors to provide various services for its construction projects, including piling and foundation works, structural works, architectural works, M&E installation, utilities installation, interior decoration and any other specialist work. These suppliers and sub-contractors are selected based on, amongst other things, the Group's past working experience with them, their competitiveness in terms of their pricing and their past performance. The Group cannot be assured that the products and services rendered by suppliers and sub-contractors will be satisfactory to it or that they will meet the quality requirements or the project requirements. In the event of any loss or damage which arises from the default of the suppliers or sub-contractors engaged by the Group, the Group, being the main contractor, will nevertheless be liable for its suppliers' or sub-contractors' default if it is not able to pass on such loss or damage to its suppliers or sub-contractors. Furthermore, these suppliers or sub-contractors may experience financial or other difficulties that may affect their ability to supply the products or carry out the work for which they were contracted, thus delaying the completion of or failing to complete the Group's construction projects, resulting in additional costs for the Group or exposing the Group to the risk of liquidated damages. Any of these factors could result in a material adverse effect on the Group's business, financial condition, prospects and results of operations.

Excessive warranty claims may adversely affect the Group's financial position.

The Group provides limited warranties for certain of its construction projects for a standard period of up to 10 years on certain items of the works. The limited warranty covers defects and any premature wear and tear of the materials and workmanship used in the projects. Rectification and repair works to be carried out by the Group that are covered under the limited warranty will not be chargeable to the customers. Excessive warranty claims for rectification and repair works may have an adverse effect on the Group's business, financial condition, prospects and results of operations.

Risks relating to the Group's hospitality business

The Group's hospitality business is subject to all of the risks common in the hospitality industry.

A number of factors, many of which are common to the hospitality industry and beyond the Group's control, could materially and adversely affect the Group's hospitality business, including but not limited to the following:

- (i) oversupply of, and/or reduction in demand for, rooms due to increased competition from other hotels or resorts and/or other alternative accommodation options such as Airbnb which may offer more attractive rates for guests;
- (ii) dependence on business and commercial travel, leisure travel and tourism, all of which may fluctuate, tend to be seasonal and are subject to the adverse effects of national and international market conditions, including but not limited to political landscapes, viral epidemics, threats of terrorism, aviation accidents, natural disasters and foreign exchange fluctuations;

APPENDIX A: RISK FACTORS

- (iii) increases in operating costs due to inflation, labour costs, workers' compensation, health-care related costs, utility costs, property tax, advertising and promotion expenses, insurance, environmental damage and unanticipated costs such as acts of nature and their consequences;
- (iv) changes in governmental laws and regulations and the related costs of compliance;
- (v) increases in costs associated with maintenance or capital improvements;
- (vi) changes in economic conditions;
- (vii) changes in travel and lifestyle patterns and preferences; and
- (viii) difficulties in identifying hospitality assets to acquire and completing and integrating acquisitions.

All of these factors could materially and adversely affect the Group's business, financial condition, prospects and results of operations.

The growth of third-party online and other hotel reservation intermediaries and travel consolidators may adversely affect the margins and profitability of the Group's hospitality business.

Some of the Group's hotel rooms are booked through third-party online and other hotel reservation intermediaries and consolidators to whom the Group pays commissions for such services. They may be able to negotiate higher commissions, reduced room rates, or other significant concessions from the Group. The Group believes that such intermediaries and consolidators are likely to develop and increase customer loyalty toward their reservation systems rather than the Group's services. As a result, the growth and increasing importance of these travel intermediaries and consolidators may adversely affect the Group's ability to control the supply and price of its room inventory, which could in turn adversely affect its margins and profitability.

The Group faces risks associated with adverse global economic conditions and other factors that depress the level of disposable income of consumers.

The Group's hospitality business is subject to prevailing economic conditions in markets or countries from which the Group's customers originate. The Group believes that it is, and will continue to be, substantially dependent on the ability and willingness of consumers to spend money on leisure and entertainment activities, including vacations, in the countries which the Group operates in. A deterioration in global economic conditions may reduce the level of disposable income available for leisure and entertainment activities, which may reduce patronage of the Group's hotels or resorts, and in turn have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

APPENDIX A: RISK FACTORS

The hospitality industry is highly competitive.

The hospitality industry is highly competitive. The level of competition in the hospitality industry is affected by various factors, including changes in economic conditions, both locally and worldwide, changes in local and regional populations, the supply of and demand for hotel rooms or villas, changes in travel patterns and preferences and new supply of hotels or resorts or other alternative forms of accommodation in the locations which the Group operates in. Any change in these conditions could negatively affect the occupancy rates of the Group's hotels or resorts. The Group's competitors may also offer lower rates or more facilities at similar or more competitive prices to attract more guests. If their efforts are successful, this could also negatively affect the occupancy rates of the Group's hotels or resorts. As a result, the Group's business, financial condition, prospects and results of operations may be adversely affected.

The Group's hotel and resort operations are subject to changes in the laws, rules and regulations of the countries in which it operates.

The hotel and resort operations of the Group are subject to the laws, rules and regulations of the countries in which it operates, including the obtaining of licences in order to carry out such operations. The withdrawal, suspension or non-renewal of any of the Group's certificates of registration and/or licences may have an adverse impact on the Group's hospitality business and consequently, its profitability. Furthermore, any changes in such laws, rules and regulations may also impact the business at the Group's hotels or resorts and may result in higher costs of compliance. Any failure to comply with new or revised laws, rules and regulations could result in the imposition of fines or other penalties by the relevant authorities. This could have an adverse impact on the revenue and profits of the Group's hospitality business or otherwise adversely affect its hotel or resort operations.

The Group may be affected by seasonal fluctuations associated with the hospitality industry.

Certain periods in each financial year generally account for a smaller portion of the Group's annual revenue than other periods due to seasonal fluctuations in the tourism industry and in the number of overseas visitors to Singapore or other countries in which the Group operates its hotels and resorts. However, the Group's expenses do not vary significantly with changes in occupancy rates and revenue because a significant portion of operating costs in its hospitality business, including employee base salaries, rental costs, information management system vendor fees, and telephone expenses, is fixed. Accordingly, a decrease in revenue could result in a disproportionately higher decrease in the Group's profits because its operating costs and expenses are unlikely to decrease proportionately. The Group's costs and expenses may remain constant or increase even if its revenues decline, which may adversely affect the Group's profitability.

The Group relies on international hotel operators in the operation, management, maintenance, branding and marketing of its hotels.

The Group relies on international hotel operators in the operation, management, maintenance, branding and marketing of its hotels and resorts. In the event that any agreement for the operation and management of any of the Group's hotels and resorts are terminated prematurely or not renewed upon expiry on mutually agreeable terms, or the Group is unable to engage the services of a competent hotel operator as a replacement, the Group's business, financial condition, prospects and results of operations may be adversely affected.

APPENDIX A: RISK FACTORS

There is also no assurance that the Group's hotels and resorts will be operated, managed, maintained, branded or marketed well in the future. Failure of the hotel operators to properly operate, manage or maintain the Group's hotels and resorts under management agreements may result in customers choosing alternative hotels and/or resorts. Insufficient cash flow caused by lower occupancy may adversely impact the operations and profitability of the Group's hotels and resorts, thereby affecting the ability of its hotels and resorts to generate income. Consequently, the financial performance of the Group could be adversely affected.

The Group is subject to risks associated with developing new hotels and/or resorts.

New hotel and resort developments are subject to a number of risks, many of which are outside the Group's control, including:

- (i) market or site deterioration after acquisition;
- (ii) the possibility of discovering previously undetected defects or problems at a site; and
- (iii) the possibility of construction delays or cost overruns due to delayed regulatory approvals, labour or material shortages, work stoppages and the unavailability of construction and/or long-term financing.

Between the acquisition of the site and the project's completion, travel preferences, political or social conditions of the location or other conditions critical to the success of the hotel or resort may change, such that the Group is unable to achieve its projected returns after the completion of the project and/or repay its debt financing. In such an event, the Group's business, financial condition and results of operations could be adversely affected.

The Group usually finances the development of hotels and resorts by way of loans from financial institutions in addition to internally-generated funds. As a significant amount of funds is required in hotel and resort development projects, the Group would typically seek financing for a substantial proportion of the cost of the hotel and resort developments. The Group's ability to engage in new developments would depend on its ability to secure such financing at favourable terms.

In planning for the financing of its hotel and resort development projects, the Group takes into consideration various factors, including potential operating yield, operating cash flows, the timing of the completion, the expected interest charges to be incurred for the entire duration of the project and the possibility that financial institutions may require that the Group provide additional security for its loans. A change in any of the factors may cause the Group's business, financial condition and results of operations to be adversely affected.

Furthermore, there can be no assurance that the Group will be able to obtain approval and/or planning permission from the relevant authorities to develop hotels or resorts on sites that the Group may acquire. This may cause the Group to suffer additional costs and delays in the construction or development of its projects. If the relevant approval and/or planning permission cannot be obtained, the Group may choose to dispose of the site. The price realised on such disposal will depend on, amongst other things, market conditions prevailing at the time of the sale, and may be lower than the price the Group paid to acquire the site. In such an event, the Group's business, financial condition and results of operations could be adversely affected.

APPENDIX A: RISK FACTORS

Risks relating to the Group's education business

Profitability of the Group's education business is dependent on the Group's ability to price its fees competitively for the educational programmes, products and services.

The profitability of the Group's education business is dependent on the fees for the educational programmes, products and services that the Group provides. Fee rates are, in turn, based on factors such as the demand for educational programmes, products and services, costs of the Group's operations including fees paid to the Group's teachers and school personnel, marketing and advertising fees, fees charged by the Group's competitors, the Group's pricing strategy to gain market share and general economic conditions in Singapore and in the countries in which the Group operates. If the Group is unable to price its fees competitively to attract prospective students and at the same time cover its operational costs and salary inflation, its business, financial position and results of operations may be materially and adversely affected.

The Group's education business is dependent on market recognition of the Group's brand and reputation.

The Group's ability to maintain its reputation depends on a number of factors, some of which are beyond its control. As the Group's education business grows in size and the Group expands its programmes, products and services, it may become difficult to maintain the quality and consistency of the programmes, products and services that the Group offers, which may lead to diminishing confidence in the Group's brand. Such factors include levels of student and parent satisfaction with the Group's pedagogy and curricula, teachers and teaching quality, grades achieved by and overall development of the Group's students, employee misconduct, marketing and advertising, disruptions to the Group's educational services, failure by the Group's schools to pass inspections by the relevant government authorities and loss of certifications, approvals and accreditations. In the event that the Group's reputation is damaged, students' and parents' confidence and interest in its programmes, products and services may decrease and its business could be materially and adversely affected. Further, in the event that the Group licenses or franchises a brand from a third party, an isolated incident occurring with respect to such third party or other licensee or franchisee of such third party which is beyond the Group's control or which may not be related to the Group may impact the reputation of the Group's programmes, products and services.

The Group's pedagogy and curricula may be licensed or franchised from third parties and if so, the continued growth of its programmes may be dependent on such third parties.

In certain instances, the Group may license or franchise its pedagogy and curricula from third parties. If so, the Group's business may develop a dependency on such third parties, including for the provision and updating of such pedagogy and curricula. There is no assurance that these third parties will adequately improve their pedagogy and curricula from time to time or, even if these third parties endeavour to do so, that such pedagogy and curricula will complement the education system in Singapore or in the countries in which the Group provides its programmes, products and services. Further, such third parties may, for various reasons including reasons which may be beyond the Group's control, terminate such license or franchise agreements or increase the license or franchise fees payable for the license or franchise of such pedagogy or curricula, which may materially and adversely affect the Group's profitability and financial position. The brand and reputation of the Group's licensed or franchised pedagogy and curricula may also be affected by the brand and reputation associated with such third parties.

APPENDIX A: RISK FACTORS

The development of the Group's students may not meet parents' expectations and satisfaction with the Group's educational services may decline.

The success of the Group's education business depends on the Group's ability to maintain the quality of education it provides. A key performance indicator of such quality is the development of its students, both academically and holistically. However, there is no guarantee that the Group's students will experience expected academic improvement or exhibit the skills and aspects of character which the Group strives to nurture. There is therefore no assurance that the Group will be able to provide learning experiences that are satisfactory to all of its students and their parents, or that student and parent satisfaction with the Group's core and enrichment programmes will be achieved. Any negative developments in the Group's schools could result in students' withdrawal from or unwillingness to apply for the Group's schools, and therefore have an adverse impact on the Group's reputation. The Group may also experience negative publicity as a result. If the Group's targeted student retention rates are not met or if the Group otherwise fails to attract and enrol students of a suitable standard or at all, its business, financial condition and results of operations may be materially and adversely affected.

The Group's education business relies on the Group's ability to recruit and retain dedicated and qualified teachers and school personnel.

The Group's education business relies substantially on the quality of the teachers and school personnel hired for the provision of educational programmes, products and services. There is, however, no assurance that the Group will be able to hire teachers and school personnel with the necessary expertise, experience and proficiency to conduct its courses. This is because the pool of qualified teachers and school personnel, such as principals, vice-principals and other school administrators, may be limited in Singapore and in the countries in which the Group operates. Further, the Group faces stiff competition from other educational centres which seek to provide similar educational programmes, products and services. There is therefore no guarantee that the Group will be able to recruit and retain quality teachers and school personnel. If the Group is unable to recruit and retain an appropriate number of teachers and school personnel, the quality of the Group's educational programmes, products and services may decline or be perceived to decline, which may have a material and adverse effect on the Group's brand and reputation. In the case of highly-qualified teachers and school personnel, such persons may demand higher compensation packages, which may materially and adversely affect the Group's profitability and financial position.

The Group's education business may be affected by changes in government policies affecting expatriates and immigration.

The Group's educational programmes, such as kindergartens, may be catered to both locals as well as expatriates in the countries in which the Group operates. Changes in government strategies, policies or regulations concerning the influx of expatriates and immigration may reduce the inflow of expatriates. For example, while Singapore has a relatively open immigration policy towards expatriates, due to the increased inflow of foreigners working in Singapore over the past few years, the immigration framework has been tightened, so as to raise the quality of the workforce and to calibrate the influx of expatriates. Such initiatives may reduce the number of expatriate parents looking to enrol their children in the Group's educational programmes. Further, such initiatives may impose additional compliance and operational costs, which may have a material and adverse effect on the Group's revenue and profitability.

APPENDIX A: RISK FACTORS

The Group's education business may be subject to seasonal fluctuations, which may cause the Group's operation results to fluctuate from quarter to quarter.

In the event that the Group's education business offers educational programmes which are structured to have school terms with periodic school holidays (as opposed to childcare services, which may be offered throughout the year without providing for holidays), the Group may experience seasonal fluctuations in its results of operations. For example, if the Group's educational programme is modelled after the British school system, it may not have revenues for the months of June and December when its schools are closed for the school holidays. Further, the number of students in the Group's schools may be lower in the start of each calendar year, due to the graduation of students at the end of the preceding school year, before gradually being replaced over the course of the year by new enrolments. Given that the Group's revenue from its education business will be directly affected by the headcount of students, such seasonal fluctuations may give rise to a corresponding seasonal fluctuation in its revenue over the course of a year.

The Group's education business may be dependent on the Group's ability to identify suitable properties for the operations of its programmes.

The Group requires suitable properties for the operation of its programmes. There are certain factors in this process which are beyond the Group's control, such as the general availability of property in Singapore and the countries in which the Group operates, market conditions including property and rental prices which are, in turn, dependent on the general supply and demand of properties, government policies on the ownership and rental of property and prevailing tax rates on the purchase and rental of property. In the event that there is a lack of suitable property, or if property or rental prices are high, the Group's profitability may be materially and adversely affected.

The Group's education business may be dependent on the Group's ability to obtain regulatory licences under the regulatory framework of the country in which the Group operates.

The Group's education business may be dependent on the Group's ability to obtain regulatory licences under the regulatory framework of the country in which the Group operates. For instance, the education industry in Singapore is regulated by the Ministry of Education of Singapore ("MOE") which provides for certain requisite certifications, approvals and accreditation to be obtained or complied with in order for a school to be established and registered with MOE. Accordingly, the Group's ability to operate schools in Singapore or overseas may be affected by its ability to obtain and comply with the requisite certifications, approvals and accreditation.

Given that the Group is new to the education industry, there is no assurance that it will be able to obtain and comply with the relevant certifications, approvals and accreditation. In addition, in the event that the standards and conditions imposed by the relevant authorities from time to time become more stringent, the Group may have to increase its compliance standards and procedures, which may result in increased costs and management having to devote time and resources to ensure compliance with such standards and procedures.

APPENDIX A: RISK FACTORS

Accidents, injuries or illnesses suffered by the Group's students, employees or other personnel may adversely affect its reputation and subject the Group to liabilities.

The Group may be held liable for the accidents, injuries or illnesses or other harm to students, employees or school personnel at its schools, learning centres and enrichment centres, notwithstanding that these may have been beyond the Group's control. The Group may also face claims alleging that it was negligent, provided inadequate maintenance to its facilities or failed to adequately supervise its employees and school personnel, and may therefore be held liable for such accidents, injuries or illnesses or other harm sustained on its premises. In addition, if any of the Group's teachers or school personnel commits acts of violence or indecent acts, the Group may face allegations that it failed to provide adequate security and should be responsible for his or her actions.

Although the Group will maintain insurance for its education business, its insurance coverage may not be adequate to cover all claims such as those described in the foregoing paragraph. In addition, in the event that accidents, injuries or illnesses or other harm are sustained on the Group's premises, it may not be able to obtain liability insurance in the future at reasonable prices, or at all. If claims are made against the Group, whether successfully or not, the Group may suffer reputational harm and may incur increased costs, and management may have to devote time and resources to defend such claims.

The Group may be exposed to potential liabilities if it cannot maintain food quality standards.

In the course of conducting the Group's education business, the Group may outsource food and meal-catering services to third parties. While the Group places emphasis on student safety and the quality of food that the Group provides in its premises, there is no assurance that the Group will be able to ensure the quality of food, monitor the meal preparation process to ensure its quality or ensure that the caterers adhere to the Group's food quality standards. In the event that poor food quality results in any serious health violations or medical emergencies, such as mass food poisoning, the Group may be subject to complaints from students and parents and the Group's business and reputation may be materially and adversely affected.

There may be an initial gestation period before the Group recovers its initial start-up costs and its education business becomes profitable.

As the Group is new to the education business, there may be costs for the initial start-up and establishment of the education business which have to be expended before revenue from the education business is received. Accordingly, there may be an initial gestation period before the Group recovers its initial start-up costs and its education business becomes profitable. The length of the initial gestation period depends on various factors, including the initial start-up costs, fees paid to its teachers and school personnel, marketing and advertising fees and fees that the Group charges to its students. There is no assurance as to how long the initial gestation period will be and whether and when its education business will become profitable.

APPENDIX A: RISK FACTORS

The Group may not have the ability or sufficient expertise to successfully diversify into the education sector.

The Group's ability to successfully diversify into the education sector is dependent upon its ability to adapt its existing knowledge and expertise and to understand and navigate its education business. The Group's success is also dependent on its ability to recruit qualified management personnel with suitable expertise and experience to support the growth of the Group's education business. Without the support of a strong management team to manage the Group's education business, the Group may not be able to successfully diversify into the education sector, and this may adversely affect the Group's financial performance and stability.

The Group has less experience in the education business compared to its other businesses.

As the Group is relatively new to the education business, there is no assurance that the education business embarked upon by the Group will be commercially successful. If the Group fails to manage costs effectively or the Group is not able to derive sufficient revenue to offset the initial start-up costs as well as ongoing operating costs arising from the education business, the overall financial position and profitability of the Group may be adversely affected. The education business may also expose the Group to unforeseen liabilities or risks associated with the entry into a new market and new business.

The Group may not be able to find partners to work with for future collaborations or joint ventures or be successful in working with such partners.

From time to time, depending on available opportunities, feasibility and market conditions, the Group may enter into collaborations or joint ventures with third parties in Singapore or overseas in connection with its education business. There is, however, no guarantee as to whether the Group will be able to find partners to work with at such time or, even if the Group is able to find partners to work with, whether it will be successful in working with such partners. Accordingly, even if the Group identifies strategic business opportunities with potential for growth that, in its view, would complement its business, there is no assurance that these opportunities would be successfully executed and the Group may from time to time have to forgo potential business opportunities.

The Group may not be able to successfully integrate future collaborations or acquisitions with its existing business.

The Group may, from time to time, enter into collaborations or make acquisitions in connection with its education business. The success and profitability of such collaborations and acquisitions may depend on the Group's ability to successfully integrate such collaborations or acquisitions with its existing business, including its ability to employ cost-cutting measures and to derive synergies. There is, however, no assurance that the Group will be able to successfully integrate such collaborations or acquisitions with its existing business. In the event that the Group is not able to successfully integrate such collaborations or acquisitions effectively, the overall financial position and profitability of the Group may be materially and adversely affected.

APPENDIX A: RISK FACTORS

The Group may face competition from existing competitors and new market entrants in the education business.

The education business is highly competitive, with strong competition from established industry participants who may have larger financial resources or a stronger track record in the education sector. Further, new competitors may enter the industry, resulting in increased competition or saturation. The Group may therefore not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors. There is no assurance that the Group will be able to compete successfully against its existing or potential competitors now or in the future. To compete effectively, the Group will have to offer more competitive pricing or differentiate itself by adopting creative marketing strategies. In the event that the Group is unable to do so, its business, financial condition, results of operations and prospects may be materially and adversely affected.

The Group's intellectual property rights (if any) may be exposed to the risks of infringement or the Group may be subject to claims for infringement of third parties' intellectual property rights.

The Group may develop and own intellectual property rights in relation its education business. In such an event, the Group may face the risk of third parties infringing upon the Group's intellectual property rights by, amongst other things, unlawfully passing off their products as products of the Group or imitating or using the Group's trademarks without its authorisation. The Group may face considerable difficulties and costly litigation in trying to protect such intellectual property rights.

Further, the Group, while taking care not to, may in the course of business inadvertently infringe upon registered trademarks or other intellectual property rights belonging to third parties. In such an event, the Group may be subject to legal proceedings and claims relating to such infringement. Any claims or litigation involving infringement of intellectual property rights of third parties, whether with or without merit, could result in a diversion of management time and resources and the Group's business operations may be materially and adversely affected. In addition, any successful claim against the Group arising out of such proceedings could result in substantial monetary liability and may materially affect the Group's reputation and the continued sale of the affected products, and consequently, the Group's business, financial condition, prospects and results of operations.

RISKS ASSOCIATED WITH THE RIGHTS ISSUE, THE RIGHTS SHARES AND THE SHARES

An active trading market may not develop for the Nil-Paid Rights and, if a market does develop, the Nil-Paid Rights may be subject to greater price volatility than the Shares.

A trading period for the Nil-Paid Rights has been set from 9.00 a.m. on 26 September 2019 to 5.00 p.m. on 4 October 2019. There is no assurance that an active trading market for the Nil-Paid Rights on the SGX-ST will develop during the Nil-Paid Rights trading period or that any over-the-counter trading market in the Nil-Paid Rights will develop. Even if an active market develops, the trading price of the Nil-Paid Rights, which depends on the trading price of the Shares, may be volatile and subject to the same risks as noted elsewhere in this Offer Information Statement. In addition, in certain jurisdictions, Shareholders are not allowed to participate in the Rights Issue. The Nil-Paid Rights relating to the Shares held by such Ineligible Shareholders may be sold by the Company, which could make the market price of the Nil-Paid Rights fall.

APPENDIX A: RISK FACTORS

Shareholders who do not or are not able to accept their Nil-Paid Rights will experience a dilution in their ownership of the Company.

If Shareholders do not or are not able to accept their Nil-Paid Rights, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his Nil-Paid Rights, or such Nil-Paid Rights are sold on his behalf, the consideration he receives, if any, may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

Ineligible Shareholders should note that if it is practicable to do so, the Company may, at its absolute discretion, arrange for Nil-Paid Rights which would otherwise have been provisionally allotted to Ineligible Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after the commencement of trading of Nil-Paid Rights. 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 expenses to be incurred in relation thereto. In addition, where the amount of net proceeds to be distributed to any single Ineligible Shareholder or persons acting to the account or benefit of any such persons is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, the Share Registrar, CDP and/or their respective officers in connection therewith.

Shareholders may experience future dilution in the value of their Shares.

The Company may need to raise additional funds in the future to finance the expansion of the Group’s business and strengthen its capital base, repayment of borrowings and/or to finance future investments. If additional funds are raised through the issuance by the Company of new Shares other than on a *pro-rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

The market price of the Shares may fluctuate.

The market price for the Shares on the SGX-ST (including the Nil-Paid Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market’s perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Group’s control. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue, or the perception that such sales may occur, could materially affect the market price of the Shares. This volatility may adversely affect the price of the Shares, including the Rights Shares, regardless of the Group’s operating performance. Examples of such factors include, *inter alia*:

- (i) variations in the Group’s operating results;
- (ii) changes in financial estimates and recommendations by securities analysts;
- (iii) success or failure of the Group’s management team in implementing business and growth strategies;
- (iv) the gain or loss of an important business relationship or contract;
- (v) the operating and stock price performance of other companies in a similar industry;

APPENDIX A: RISK FACTORS

- (vi) developments affecting the Group, its customers or competitors;
- (vii) fluctuations in general stock market prices and trading volume;
- (viii) changes or uncertainty in the political, economic and regulatory environment in the markets that the Group operates;
- (ix) changes in accounting policies; and
- (x) other events or factors described in this Offer Information Statement.

The Issue Price is fixed at S\$0.63 for each Rights Share. A fall in the price of the Shares could have a material adverse impact on the value of the Nil-Paid Rights and the Rights Shares. There is no assurance that investors will be able to sell the Rights Shares at a price equal to or greater than the Issue Price. Accordingly, investors who are existing Shareholders or have acquired Nil-Paid Rights in the secondary market and/or subscribed to the Rights Shares, whether existing Shareholders or not, may suffer a loss.

The liquidity of the Shares may not change or improve.

Active and liquid trading of securities generally results in lower volatilities in price and more efficient execution of buy and sell orders for investors. Generally, the liquidity of the market for a particular share is dependent on, amongst others, the size of the free float, the price of each board lot, institutional interest, the business prospects of the Group as well as the prevailing market sentiment. There is no assurance that the liquidity of the Shares or the volume of the Shares as traded on the SGX-ST may change or improve after the Rights Issue.

The Company may not be able to pay dividends to Shareholders.

The Company's ability to declare dividends in relation to the Shares will depend on its future financial performance, which, in turn, depends on the successful implementation of the Group's strategy and on financial, competitive, regulatory and other factors, general economic conditions and other factors specific to its industry or specific projects, many of which are beyond the Group's control.

In addition, the Company's ability to pay dividends will be affected by the ability of its subsidiaries, joint ventures and other vehicles it may invest in, to declare and pay dividends or other distributions to the Company. The ability of the Company's subsidiaries and such entities to declare and pay dividends or other distributions to the Company will be dependent on the cash income of and cash available to such subsidiary or entity and may be restricted or subject to conditions under applicable law or regulation. For example, the entities in which the Company has interests may be subject to statutory requirements to pay dividends or other distributions out of retained or accumulated earnings as determined according to the laws or accounting standards of the relevant jurisdictions, or may be required by law to set aside a portion of their earnings to a reserve or other fund which is not available for dividends or other distributions. These entities may also require approvals from tax and other regulatory authorities before payment or repatriation of dividends or other distributions can be made, which may not be forthcoming in a timely manner or at all.

No assurance can be given as to the Company's ability to pay dividends in the future nor is there any assurance that, if the Company is able to pay dividends, it will be able to maintain the level of its historical dividends following the completion of the Rights Issue.

APPENDIX A: RISK FACTORS

Controlling interest owned by the Concert Party Group may limit the ability of minority Shareholders to influence the outcome of decisions requiring the approval of Shareholders, and the interests of the Concert Party Group may differ from or conflict with those of the Company or the minority Shareholders.

As at the Latest Practicable Date, the Concert Party Group has a controlling interest (as defined under the Listing Manual) in the Company of approximately 29.73 per cent. of the total issued share capital of the Company. Upon the completion of the Rights Issue, the shareholding interests of the Concert Party Group may increase to up to approximately 43.43 per cent. of the total issued share capital of the Company. Please refer to the section titled “**Take-over Limits and Whitewash Waiver**” of this Offer Information Statement.

As a result, the Concert Party Group will be able to exercise significant influence over all matters requiring Shareholders’ approval. The Concert Party Group will also have veto power with respect to any Shareholders’ action or approval requiring a special resolution, except where it is required by law or regulation to abstain from voting. When exercising their rights as shareholders, the Concert Party Group may take into account not only the Company’s interests but also their own interests. The interests of the Concert Party Group could conflict with the interests of minority Shareholders, which could adversely affect the investment of the minority Shareholders in the Company.

Singapore laws contain provisions that could discourage a take-over of the Company.

Under the Code, any person acquiring an interest, either individually or with parties acting in concert, in 30.0% or more of the voting rights in the Company, may be required to extend a take-over offer for the remaining voting shares in accordance with the Code. A take-over offer is also required to be made if a person holding between 30.0% and 50.0% (both inclusive) of the Company’s voting rights, either individually or in concert, acquires an additional 1.0% of the Company’s voting rights in any six-month period. The Code may discourage or prevent certain types of transactions involving an actual or threatened change of control of the Company and, as a result, may adversely affect the market price of the Shares and the ability to realise any potential change of control premium.

Upon the completion of the Rights Issue, the shareholding interests of the Concert Party Group may increase to up to approximately 43.43 per cent. of the total issued share capital of the Company. The concentration of ownership of the Concert Party Group may have the effect of delaying, preventing or deterring a change in control of the Company or otherwise discourage a potential take-over bid by potential buyers.

The SIC has granted the Whitewash Waiver, subject to certain conditions. At the EGM, the Whitewash Resolution was approved by a majority of Independent Shareholders present and voting at the EGM to waive their rights to receive a mandatory general offer from the Concert Party Group, pursuant to Rule 14 of the Code in relation to the Rights Issue. Please refer to the section titled “**Take-over Limits and Whitewash Waiver**” of this Offer Information Statement. Notwithstanding the above, following the completion of the Rights Issue, the Concert Party Group may be required to make a mandatory general offer pursuant to Rule 14 of the Code for the remaining Shares not already owned or controlled by the Concert Party Group if the Concert Party Group acquires interests exceeding the thresholds described above and in the section titled “**Take-over Limits and Whitewash Waiver**” of this Offer Information Statement, or is otherwise required to make an offer under the Code. There is no assurance that an offer would be required to be made under the Code, and if required, that the offer price for the Shares will be at a premium to the Issue Price or the then current market price of the Shares.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, or where a Member Company is making an application in respect of a Broker-linked Balance linked to the Member Company, be taken to include an application made via the SGX-SFG Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). If an Entitled Depositor has Broker-linked Balance(s) and there are Rights Shares provisionally allotted to the Entitled Depositor in the Broker-linked Balance, a separate ARE will be issued for the number of Rights Shares provisionally allotted to the Entitled Depositor in each such Broker-linked Balance.

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue, save as provided in paragraph 5.7 of this **Appendix B**. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

Entitled Depositors should note that any provisional allotments of Rights Shares in a Broker-linked Balance which are accepted and (if applicable) any Excess Rights Shares credited pursuant to applications for Excess Rights Shares in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application (other than acceptances of and, if applicable, excess applications for Rights Shares for an Entitled Depositor's Broker-linked Balance which may not be by way of an Electronic Application through an ATM of a Participating Bank) or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account or Broker-linked Balance of your Securities Account (if applicable) is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR (OTHER THAN FOR PROVISIONAL ALLOTMENTS OF RIGHTS SHARES IN AN ENTITLED DEPOSITOR'S BROKER-LINKED BALANCE) BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, OR WHERE A MEMBER COMPANY MAKES AN APPLICATION IN RESPECT OF A BROKER-LINKED BALANCE LINKED TO THE MEMBER COMPANY, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out in this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor or a Member Company in respect of a Broker-linked Balance linked to the Member Company, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor or (if applicable) by the Member Company in respect of a Broker-linked Balance in the Entitled Depositor's Securities Account linked to the Member Company. For the avoidance of doubt, insufficient payment for an application may render the application invalid, and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.5 An Entitled Depositor with provisional allotment of Rights Shares in a Broker-linked Balance should note that the Member Company linked to the Broker-linked Balance may exercise the provisional allotment of Rights Shares held in the Broker-linked Balance and apply for Excess Rights Shares for such Broker-linked Balance. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the exercise of Rights Shares held in a Broker-linked Balance and whether the Entitled Depositor has authorised the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares.
- 1.6 Details on the acceptance for provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares (other than in respect of Broker-linked Balances) are set out in paragraphs 2 to 4 of this **Appendix B**.

Details on the acceptance for provisional allotment of Rights Shares in an Entitled Depositor's Broker-linked Balance and application for Excess Rights Shares for a Broker-linked Balance are set out in paragraphs 5 to 7 of this **Appendix B**.

2. MODE OF ACCEPTANCE AND APPLICATION (OTHER THAN FOR BROKER-LINKED BALANCES)

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs of Participating Banks to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** to this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of Excess Rights Shares applied for and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
 - (i) by hand to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 10 OCTOBER 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – CHIP ENG SENG RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed, signed and submitted to CDP.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 8.2 of this **Appendix B** which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraphs 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Purchasers should also note that if they make any purchase on or around the last trading day of the Nil-Paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy of this Offer Information Statement and its accompanying documents from CDP. Alternatively, Purchasers may accept and subscribe for their Nil-Paid Rights by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 of this **Appendix B**.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING SHARES AT AN ISSUE PRICE OF S\$0.63)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 2,500 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

- | | |
|--|--|
| (a) Accept his entire provisional allotment of 2,500 Rights Shares and (if applicable) apply for Excess Rights Shares. | (1) Accept his entire provisional allotment of 2,500 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or |
| | (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 2,500 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$1,575.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore, and made payable to " CDP – CHIP ENG SENG RIGHTS ISSUE ACCOUNT " and crossed " NOT NEGOTIABLE, A/C PAYEE ONLY " for the full amount due on acceptance and (if applicable) application, by hand to CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588 or by post, at his own risk, in the self-addressed envelope provided to CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147 so as to arrive not later than 5.00 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. |

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives	Procedures to be taken
	NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.
(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.	<p>(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or</p> <p>(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$630.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than 5.00 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> <p>The balance of the provisional allotment of 1,500 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.</p>
(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.	<p>(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or</p>

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives

Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$630.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 1,500 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 10 October 2019** or if an acceptance is not made through CDP by **5.00 p.m. on 10 October 2019**.

5. MODE OF ACCEPTANCE AND APPLICATION (FOR BROKER-LINKED BALANCES)

5.1 Acceptance/Application through CDP

The Entitled Depositor should note that any provisional allotments of Rights Shares accepted and (if applicable) any Excess Rights Shares credited pursuant to applications for Excess Rights Shares made through an ARE in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares in a Broker-linked Balance and (if applicable) apply for Excess Rights Shares for his Broker-linked Balance through CDP, he must:

- (a) complete and sign the ARE in respect of the Rights Shares provisionally allotted in the Broker-linked Balance. In particular, he must state in Part (C)(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of Excess Rights Shares applied for and in Part (C)(ii) of the ARE the 6 digits of the Cashier's Order or Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
- (i) by hand to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 10 OCTOBER 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – CHIP ENG SENG RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

5.2 Acceptance through the SGX-SFG Service (only for Member Companies making an application in respect of a Broker-linked Balance linked to the Member Company)

Member Companies may accept the provisional allotment of Rights Shares in a Broker-linked Balance linked to the Member Company and (if applicable) apply for Excess Rights Shares for a Broker-linked Balance linked to the Member Company through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents and Member Companies. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed and submitted to CDP.

5.3 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 8.2 of this **Appendix B** which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5.4 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 5.1 of this **Appendix B** to CDP.

The balance of his provisional allotment of Rights Shares in a Broker-linked Balance may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for a separate ARS to be issued to the Purchasers.

5.5 Trading of Provisional Allotments of Rights Shares by Member Company

A Member Company may trade all or part of the provisional allotment of Rights Shares in a Broker-linked Balance linked to the Member Company as soon as dealings therein commence on the SGX-ST. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the sale of provisional allotments of Rights Shares by the Member Company and whether the Entitled Depositor has authorised sale of the provisional allotment of Rights Shares by the Member Company.

5.6 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in a Broker-linked Balance in favour of a third party should obtain the approval of the Member Company linked to the Broker-linked Balance for the transfer of such provisional allotments of Rights Shares out of the Broker-linked Balance to the main balance of his Securities Account for such renunciation. An Entitled Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the Broker-linked Balance. The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such provisional allotments of Rights Shares from the Broker-linked Balance to the main balance of the Entitled Depositor's securities account.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Upon the transfer of the provisional allotments of Rights Shares which the Entitled Depositor wishes to renounce from the Broker-linked Balance to the main balance of the Entitled Depositor's securities account, the Entitled Depositor should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce, and CDP shall only process the transfer forms for such renunciation only after such provisional allotments of Rights Shares are credited to the main balance of the Entitled Depositor's securities account. Renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5.7 Transfers of Provisional Allotments of Rights Shares from a Broker-linked Balance of the Entitled Depositor's Securities Account

Entitled Depositors who wish to transfer their provisional allotments of Rights Shares in a Broker-linked Balance to the main balance or another Broker-linked Balance of the Entitled Depositor's Securities Account should obtain the approval of the Member Company linked to the originating Broker-linked Balance for the transfer of such provisional allotments of Rights Shares out of the Broker-linked Balance. An Entitled Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the originating Broker-linked Balance (for transfer to the main balance of the Entitled Depositor's Securities Account only). The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such provisional allotments of Rights Shares from the Broker-linked Balance to the main balance of the Entitled Depositor's securities account.

Upon the transfer of the provisional allotments of Rights Shares to the main balance or another Broker-linked Balance of the Securities Account, arrangements will be made by CDP for a separate ARS to be issued to the Entitled Depositor in respect of the provisional allotments of Rights Shares transferred to the main balance or another Broker-linked Balance of his Securities Account. As the Member Company may take up to the next Market Day to communicate its approval and effect the transfer, an Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares from a Broker-linked Balance of his Securities Account is advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the Entitled Depositor by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the Entitled Depositor to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the Entitled Depositor is **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

time by or on behalf of the Company). Alternatively, the Entitled Depositor may accept and subscribe for provisional allotments of Rights Shares in the main balance of his Securities Account by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above. Entitled Depositors who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP, for the period up to **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

An Entitled Depositor who wishes to transfer his provisional allotments of Rights Shares which were provisionally allotted to a Broker-linked Balance of his Securities Account should note that he will not be entitled to apply for Excess Rights Shares in connection with his acceptance of such provisional allotments of Rights Shares which have been transferred out of the originating Broker-linked Balance.

6. ACCEPTANCES AND APPLICATIONS BY BOTH AN ENTITLED DEPOSITOR AND THE MEMBER COMPANY LINKED TO THE BROKER-LINKED BALANCE

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares in a Broker-linked Balance by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE, and the Member Company linked to such Broker-linked Balance also accepts any provisional allotment of Rights Shares in the Broker-linked Balance and/or applies for Excess Rights Shares in respect of the Broker-linked Balance, the Company and/or CDP shall be authorised and entitled to accept his and his Member Company's instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser and the Member Company shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares whether made by him or the Member Company linked to the Broker-linked Balance in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

7. ILLUSTRATIVE EXAMPLES FOR RIGHTS SHARES PROVISIONALLY ALLOTTED TO A BROKER-LINKED BALANCE (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING SHARES AT AN ISSUE PRICE OF S\$0.63)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of a Broker-linked Balance of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 2,500 Rights Shares in his Broker-linked Balance as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

(a) Accept his entire provisional allotment of 2,500 Rights Shares in the Broker-linked Balance and (if applicable) apply for Excess Rights Shares for the Broker-linked Balance.

Procedures to be taken

(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 2,500 Rights Shares in the Broker-linked Balance and (if applicable) the number of Excess Rights Shares applied for the Broker-linked Balance and forward the original signed ARE together with a single remittance for S\$1,575.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP – CHIP ENG SENG RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name of the Entitled Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives	Procedures to be taken
	<p>NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.</p>
<p>(b) Accept a portion of his provisional allotment of Rights Shares in the Broker-linked Balance, for example 1,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.</p>	<p>(1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares in the Broker-linked Balance, and forward the original signed ARE, together with a single remittance for S\$630.00, in the prescribed manner described in alternative (a)(1) above, to CDP, so as to arrive not later than 5.00 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> <p>The balance of the provisional allotment of 1,500 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.</p>
<p>(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.</p>	<p>(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares in the Broker-linked Balance and forward the original signed ARE, together with a single remittance for S\$630.00, in the prescribed manner described in alternative (a)(1) above to CDP so as to arrive not later than 5.00 p.m. on 10 October 2019 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).</p> <p>The balance of the provisional allotment of 1,500 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through CDP by 5.00 p.m. on 10 October 2019.</p>

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

8. TIMING AND OTHER IMPORTANT INFORMATION

8.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 10 OCTOBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND
- (B) 5.00 P.M. ON 10 OCTOBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR THE SGX-SFG SERVICE.

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser or Member Company (in respect of a Broker-linked Balance), the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

8.2 Appropriation

Without prejudice to paragraph 1.3 of this **Appendix B**, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Right Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

8.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors or Member Companies (in respect of applications for Rights Shares made by Member Companies for Broker-linked Balances), without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company, the Manager and Underwriter and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Shares through CDP).

8.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – CHIP ENG SENG RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **CHIP ENG SENG CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent or a Member Company in respect of a Broker-linked Balance linked to the Member Company via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) or Member Company/(s) for the Rights Shares is effected by **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers or the Member Company (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITOR'S OR PURCHASERS' OR MEMBER COMPANY'S OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

8.5 Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

8.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access Service. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters.

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

8.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

PROCEDURE TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you

XX,XXX

Shares as at XX January 2015 (Record Date)

Number of Rights Shares provisionally allotted*

XX,XXX

Issue Price

S\$0.0X per Rights Share

This is your shareholdings as at the Books Closure Date.

This is the date to determine your Rights Shares entitlements.

This is your number of Rights Shares entitlement.

This is the price that you need to pay when you subscribe for one (1) Rights Share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by XX September 2015 at 9:30 p.m. Participating Banks are XXX, XXX and XXX.

2. MAIL Complete section below and submit this form to CDP by XX September at 5:00 p.m.

- (i) Only BANKER'S DRAFT/CASHIER'S ORDER payable to "**CDP – XXXXX RIGHTS ISSUE ACCOUNT**" will be accepted
- (ii) Applications using a PERSONAL CHEQUE, POSTAL ORDER or MONEY ORDER will be **rejected**
- (iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date and time to subscribe for Rights Shares through ATMs of Participating Banks and CDP.

You can apply for your Rights Shares through ATMs of Participating Banks.

This is the payee name to be issued on your Cashier's Order or Banker's Draft where XXXXX is the name of the Company.

Note:

Please refer to the ARE/ARS for the actual holdings, entitlements, Books Closure Date, Issue Price, Closing Date, list of Participating Banks and payee name on the Cashier's Order or Banker's Draft.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of Participating Banks are set out on the ATM screens of the relevant Participating Banks. Please read carefully the terms and conditions of this Offer Information Statement, the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications through an ATM of a Participating Bank set out below before making an Electronic Application through an ATM of a Participating Bank. An ATM card issued by one Participating Bank cannot be used to accept provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application through an ATM of a Participating Bank which does not strictly conform to the instructions set out on the screens of the ATM of a Participating Bank through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications through an ATM of a Participating Bank and the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks shall mean the Entitled Depositor or his renounee or the Purchaser of the provisional allotments of Rights Shares who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction through an ATM of a Participating Bank, the Applicant will receive an ATM transaction slip, confirming the details of his Electronic Application. The ATM transaction slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him by that Participating Bank in his own name. Using his own Securities Account number with an ATM card which is not issued to him by that Participating Bank in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

For CPFIS Members, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be made through their respective approved CPF agent banks. Such CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions no later than the deadlines set by their respective approved CPF agent banks in order for such approved CPF agent banks to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. For such CPFIS Members, any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, Electronic Applications and/or the Company will be rejected.

For investors who hold Shares under the SRS or through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be made through their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents. Such investors are advised to provide their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

the deadlines set by their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, Electronic Applications and/or the Company will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the Nil-Paid Rights purchased must be done through their respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by their respective finance companies or Depository Agents in order for such intermediaries to make the relevant acceptances of the Rights Shares on their behalf by the Closing Date. For such renounees and/or Purchasers, any acceptance of the Rights Shares made directly through CDP, the Share Registrar, Electronic Applications and/or the Company will be rejected.

The Electronic Application through an ATM of a Participating Bank shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application through an ATM of a Participating Bank for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM of a Participating Bank for his Electronic Application:
 - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the **"Relevant Particulars"**) from his account with that Participating Bank to the Share Registrar, CDP, Securities Clearing and Computer Services (Pte) Limited, CPF Board, the SGX-ST, the Company and the Manager and Underwriter (the **"Relevant Parties"**).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM of a Participating Bank unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by the Participating Bank of the Relevant Particulars to the Relevant Parties.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the ATM transaction slip confirming the details of his Electronic Application, or the number of provisionally allotted Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date (whichever is the lesser number). In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the Company's decision as final and binding.
4. If the Applicant's Electronic Application through an ATM of a Participating Bank is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM screen of a Participating Bank) of the number of Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.
5. In the event that the Applicant accepts the Rights Shares both by way of the ARE and/or the ARS (as the case may be) and also by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS, or by way of the acceptance through Electronic Application through an ATM of a Participating Bank, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his acceptance.
6. If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and also by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE and by way of application through Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application through an ATM of a Participating Bank, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his application.

7. The Applicant irrevocably requests and authorises the Company to:
 - (a) register or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application through an ATM of a Participating Bank in respect of the Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application through an ATM of a Participating Bank for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.
8. **BY MAKING AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
9. The Applicant irrevocably agrees and acknowledges that his Electronic Application through an ATM of a Participating Bank is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager and Underwriter and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager and Underwriter, and if, in any such event, CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager and Underwriter do not record or receive the Applicant's Electronic Application through an ATM of a Participating Bank by **9.30 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application through an ATM of a Participating Bank and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, the Directors, the Share Registrar and/or the Manager and Underwriter and their respective officers for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

10. **Electronic Applications may only be made through ATMs of Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
11. Electronic Applications through ATMs of Participating Banks shall close at **9.30 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application through an ATM of his Participating Bank shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application through an ATM of his Participating Bank, the Applicant shall promptly notify his Participating Bank.
13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application through an ATM of his Participating Bank, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
14. Where an Electronic Application through an ATM of a Participating Bank is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application through an ATM of a Participating Bank may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application through an ATM of a Participating Bank, the Applicant agrees that:
 - (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the Participating Banks, the Share Registrar nor the Manager and Underwriter shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 of this **Appendix C** or to any cause beyond their respective control;

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

- (d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisionally allotted Rights Shares and (if applicable) his application for Excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
16. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical; otherwise, his Electronic Application through an ATM of a Participating Bank may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application through an ATM of a Participating Bank by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of Electronic Application through any ATM of the Participating Banks, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares by any one or a combination of the following:
- (a) by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to his mailing address as maintained in the records of CDP or in such other manner as he may have agreed with CDP for the payment of any cash distribution **AT HIS OWN RISK** if he accepts and (if applicable) applies through CDP; and
 - (b) by crediting the Applicant's bank account with the Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge of the Company's, the Manager and Underwriter's and CDP's obligations.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

19. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of application (including an Electronic Application through an ATM of a Participating Bank) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application through an ATM of that Participating Bank is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.
21. With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or Excess Rights Shares in relation to the Rights Issue, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than, the relevant number of provisionally allotted Rights Shares subscribed as at the Closing Date, or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.
22. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, each application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

This page has been intentionally left blank.

**APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING,
RENUNCIATION, EXCESS APPLICATION AND PAYMENT
BY ENTITLED SCRIPHOLDERS**

1. INTRODUCTION

1.1 Entitled Scripholders are entitled to receive this Offer Information Statement with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

1.2 The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL. Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.

1.3 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments are set out in this Offer Information Statement as well as the PAL.

1.4 With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 1.6 **Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**
- 1.7 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance, should:

- (a) complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (b) forward **AT THE SENDER'S OWN RISK**, by post in the self-addressed envelope provided, the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance in the manner hereinafter prescribed to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712** so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 of this **Appendix D** entitled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

3. REQUEST FOR SPLITTING (FORM B) AND FORM OF RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (“**Split Letters**”) according to their requirements. The duly completed and signed Request for Splitting (Form B) together with the PAL in its entirety should then be returned, by post in the self-addressed envelope provided, **AT THE SENDER’S OWN RISK**, to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, not later than **5.00 p.m. on 4 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B together with the PAL in its entirety is received after **5.00 p.m. on 4 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce may be renounced by completing and signing the Form of Renunciation (Form C) before delivery to the Renounee. Entitled Scripholders should complete and sign the Form of Acceptance (Form A) of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment (if required) in the prescribed manner should be forwarded to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712** so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign the Form of Renunciation (Form C) for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the Renounees.

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 The renounee(s) should complete and sign the Form of Nomination (Form D) and forward the Form of Nomination (Form D), together with the PAL in its entirety, duly completed and signed, and a single remittance for the full amount due and payable in the prescribed manner by post **AT HIS/THEIR OWN RISK**, in the self-addressed envelope provided, to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712**, so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

4.2 Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing the Form of Acceptance (Form A) and the Consolidated Listing Form in the Form of Nomination (Form D) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in the Form of Nomination (Form D) of only one (1) PAL or Split Letter (the “**Principal PAL**”) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO THE FORM OF ACCEPTANCE (FORM A) OR THE FORM OF NOMINATION (FORM D) (AS THE CASE MAY BE).**

5. PAYMENT

5.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier’s Order or Banker’s Draft drawn on a bank in Singapore and made payable to “**CHIP ENG SENG RIGHTS ISSUE ACCOUNT**” and crossed “**NOT NEGOTIABLE, A/C PAYEE ONLY**” with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier’s Order or Banker’s Draft. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided and **AT THE SENDER’S OWN RISK**, to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712** so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

5.2 If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares.

**APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING,
RENUNCIATION, EXCESS APPLICATION AND PAYMENT
BY ENTITLED SCRIPHOLDERS**

6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1 Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it together with the PAL in its entirety with a **separate single** remittance for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out in paragraph 5 of this **Appendix D**, by post in the self-addressed envelope provided **AT THEIR OWN RISK**, to **CHIP ENG SENG CORPORATION LTD. C/O THE SHARE REGISTRAR, RHT CORPORATE ADVISORY PTE. LTD., 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712** so as to arrive not later than **5.00 p.m. on 10 October 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 6.2 The Excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the unsold provisional allotments of Rights Shares (if any) of Ineligible Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted 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, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to reject, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever.
- 6.3 If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares, **BY ORDINARY POST** to their mailing addresses as maintained with the Company **AT THEIR OWN RISK.**

7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.
- 7.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 7.3 Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 **To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them can be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (last 4 characters only) (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent BY ORDINARY POST to person(s) entitled thereto AT HIS/THEIR OWN RISK.**
- 7.5 If the Entitled Scripholders' addresses stated in the PAL are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter on successful allotments and other correspondences will be sent to their addresses last registered with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.
- 7.7 **THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.**

**APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING,
RENUNCIATION, EXCESS APPLICATION AND PAYMENT
BY ENTITLED SCRIPHOLDERS**

7.8 THE LAST TIME AND DATE FOR ACCEPTANCES OF AND/OR (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 10 OCTOBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

7.9 Personal Data Privacy

By completing and delivering the PAL, an Entitled Scripholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

This page has been intentionally left blank.

APPENDIX E: LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

1. DBS Bank Ltd. (including POSB)
2. Oversea-Chinese Banking Corporation Limited
3. United Overseas Bank Limited

This page has been intentionally left blank.

OFFER INFORMATION STATEMENT

Dated this 23rd day of September 2019.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights 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 Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

**For and on behalf of
CHIP ENG SENG CORPORATION LTD.**

Mrs Celine Tang @ Chen Huaidan @ Celine
Tang (Non-Executive Chairman and Non-
Independent and Non-Executive Director)

Mr Chia Lee Meng Raymond
(Executive Director and Group Chief Executive
Officer)

Mr Tan Tee How
(Executive Director)

Mr Ang Mong Seng
(Lead Independent Director)

Mr Lui Tuck Yew
(Independent Director)

Mr Abdul Jabbar Bin Karam Din
(Independent Director)

Mr Lock Wai Han
(Independent Director)

